Bombay Municipality.

Administration Report of the Municipal Chief Auditor for the Years 1942-43 to 1946-47

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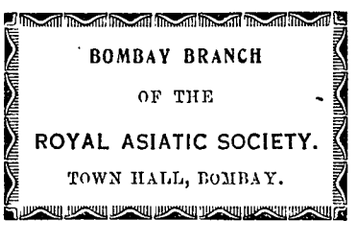

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BOMBAY MUNICIPALITY.

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1942-43. to 1946-47

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MUNICIPAL CHIEF AUDITOR'S REPORT.

No. MCA/3905/I of 1943-44.

Bombay, 21st September 1943.

FROM

R. C. MEHTA, Esq. F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

Sir,

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1942-43 for submission to the Standing Committee and the Corporation.

I have the honour to be,

Sir,

Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the Year 1942-43.

Prefatory Remarks.

In compliance with the provisions of Section 137(3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938), the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1943, that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee, their Capital Accounts, Accounts of the Sinking and Special Funds, Debts, Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor and his assistant and his staff have kept themselves busy continuously throughout the year test-auditing the accounts of the Corporation and the result has been embodied in this report.

This Audit report is divided into two parts (1) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schedule I, Division A summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the method and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I, Division B, contains statements of receipts and payments and the balances of Revenue and Capital accounts indicating the final position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvement Schemes Accounts, Advances and Investments, loans contracted and cash and securities on account of various funds. Appendices A and B are attached to Schedule I showing the charges met from the Municipal Commissioner's discretional contingencies and balances of stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Municipal Chief Auditor's general remarks on the result of the Audit of the Accounts may shortly be recapitulated as under:—

Municipal Accounts.

Expenditure.

The internal control of the accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made, etc., was on the whole fairly statisfactory. A summary of objections raised during the year is given in the body of the Main Audit Report.

Budget.

The Revenue Budget originally sanctioned was for Rs. 374.65 lakhs for Municipal Accounts and Rs. 102.50 lakhs for Improvement Schemes Account. The transfers and additions, respectively, made in the Budget during the year were to the extent of Rs. 6.87 lakhs and Rs. 42.61 lakhs in the Municipal and Improvement Accounts, there being 443 items of transfers and 64 of additional grants.

A number of these transfers and additions which practically alter all sanctioned allotments in the original Budget, relate to Establishments Grants also. These transfers of establishment grants are mainly due to the lax practice of omitting all charges for leave allowances, whilst calculating the Budget provisions, which presupposes supplementing of grants by transfers and additions during the course of the year. This practice does not lead to economy. Accordingly as suggested in my last year's report an attempt should be made to preassess, as far as possible, all such expenditure at the time of framing the original budget.

It is the practice of the Municipality to revise the Budget after eight months, working in order to estimate the Surplus Cash Balance more accurately. But at present the Departments continue the expenditure according to the originally sanctioned budget grants disregarding the reductions made in the Revised Budget. It is accordingly suggested in the interest of economy that the Departments are prohibited without special permission of the Commissioner to exceed the figures shown in the revised estimates and all savings thus available are utilised for supplementing the grants.

Departmental execution of works.

It is observed that the execution of capital works done departmentally by the City Engineer and the Hydraulic Engineer is in some cases found to have been prolonged for years, the expenditure being booked in dribblets from year to year, although looking to the small amounts of estimates and the nature of works they are supposed to be undertaken, and carried out at a stretch in the course of a few months. For example certain works which were fully provided for in the Budget of the year 1938-39 and which were undertaken in the same year were found to have been taken over from Budget to Budget till the year 1942-43. If works are unnecessarily prolonged like this, it entails maintenance of Municipal establishment for their supervision for years and consequent avoidable burden on the Municipal Revenue. Besides, undue prolongation of works is likely to involve waste of labour and perhaps materials also, on which it may be difficult to keep a watch and control for their utilisation during the long periods. It is accordingly suggested that the department concerned should estimate and fix the time for the completion of such works and try to enforce their completion, as far as possible, within the estimated time.

Purchase of materials under contracts.

Due to the war conditions and the consequent constant rise in the prices of materials there are many instances of failure on the part of contractors to supply the materials indented for.

An instance has been noted in my detailed remarks wherein a number of indents put on a firm of contractors for supplies by the City Engineer's Department were found cancelled although the correspondence revealed that the Department had once threatened the contractors that the materials would be purchased from outside at their risk and cost. However, it was explained to audit that the materials were not required as there were no works to be carried out. But it appears that many of the Municipal repairs works have been postponed for want of materials. Accordingly, the City Engineer has been asked whether similar materials had not to be purchased by him at higher rates either from the market or from other contractors for the new year. A reply to this is awaited.

Rationing.

The Corporation under their Resolution No. 949, dated the 15th January 1943, approved of the work of preparing the Food Rationing Scheme in the City being undertaken by the Municipality as proposed by the Commissioner at the entire cost of the Government of Bombay. For this work a staff of large number of Municipal employees was drafted by the Municipal Commissioner for over a month and a half and was paid their usual salaries and allowances out of the Municipal fund by debiting the usual establishment grants of the different departments in addition to the honorarium paid to them by the Government.

The payment of the salaries and allowances to the staff for this period out of the Municipal Funds being not covered by any sanction, the matter was reported to the Standing Committee and the Corporation (*vide* Standing Committee Resolution No. 1851, dated the 24th February 1943). Accordingly, the Commissioner obtained the sanction of the Corporation to this expenditure (*vide* Corporation Resolution No. 101, dated the 7th May 1943).

It may be noted that this expenditure (that is to say the expenditure on account of the salaries and allowances of this staff) has been debited to the establishments of the different departments. But as the grants provided for and assigned to the departments by the Corporation were in respect of the ordinary and specific duties and functions appertaining to those departments and as this expenditure was for a different purpose it should have been debited to a separate heading of its own. The figure of total expenditure borne by the Municipal Fund in this respect is accordingly not available.

Accommodations provided to Municipal servants.

It is obesrved that when the Municipality constructs quarters for their officers and servants, the capital outlay thereon is not limited to the amount of rent chargeable to them even at the maximum rate of 10 per cent., of their salaries. Examples of the quarters for the Dean and the Assistant Dean of the K.E.M. Hospital and the Seth G. S. M. College are given in the Special report made to the Standing Committee in this behalf (*vide* Standing Committee Resolution No. 442, dated the 7th July 1943). Although in such cases, efficient discharge of one's duties is the prevailing consideration, still the factor of a return of economic rent may also be taken into due consideration in sanctioning the cost to be incurred in the construction of such buildings.

Duties of Municipal Officers and Servants.

In order to have a proper check and control over the accounts of cash, stores and materials and to facilitate tracing of responsibility in cases of defaults the Commissioner was requested three years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all departments in respect of these matters and he has given orders accordingly to the departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

Income.

It has already been pointed out in the previous reports, that with regard to the revenues of the Corporation inter-departmental control was not found satisfactory; that the co-ordination of the departmental accounts and of the accounts kept by the Chief Accountant was found wanting; and that there was no internal check of the Accounts Department over the departmental accounts and with a view to have adequate control and safeguard against possible omissions and irregularities in the accounts of such a vast organisation as the Bombay Municipal Corporation, the forms of registers of the Miscellaneous Departments were revised from 1st April 1939, on the basis of demand, collection and arrears for each source of income, to be tallied and reconciled with the figures of collection shown in the Chief Accountant's books at the end of each quarter by means of quarterly returns. The staff of the Chief Accountant was also strengthened for the internal verification of the departmental demand registers.

Audit has been making continuous efforts to have these registers properly written up, completed and reconciled in time by the departments. The Commissioner has also been exerting all due pressure on the departments by issuing circulars and orders on the audit notes. Still, however, some of the major depatrments, *e.g.*, the City Engineer's, the Hydraulic Engineer's, the Executive Health Officer's and the Superintendent of Markets' lag behind much in time in the work of submission of quarterly returns, as has already been reported to the Standing Committee from time to time and lastly on 29th April 1943 under letter No. M.C.A. 3609/V to the Standing Committee (*vide* Standing Committee Resolution No. 170, dated the 5th May 1943). Thus the revenue returns for all the four quarters of the year under report have not been received except in the case of some small departments and accordingly the accounts of the Miscellaneous Revenue shown in Appendix 3 of the Chief Accountant's Report lack the requirement of yearly reeconciliation with the demand registers of the departments as on 31st March 1943.

Off and on cases are noticed, where the revenue demands are found omitted from the Revenue Registers and the deposits received in respect thereof during the past several years have remained unadjusted to revenue. The work of taking all these outstanding demands of the previous years on the demand registers and of adjusting the deposits thereagainst thus remains yet incomplete.

Certain registers of the major departments like the Engineering Department, Water Works Department and Markets Department are also not completely checked by the Chief Accountant, *e.g.*, stall-board and ground rent registers in the City Engineer's Department, Stallage Registers in the Market Department, etc.

As regards the Assessment Department, long delay occurring in taking legal action in respect of taxes left unrecovered after service of demand notices or execution of warrants has proved a sort of encouragement to the habitual defaulters who do not take serious notice of the Municipal demand, knowing well the present Municipal practice which takes years before a suit is filed and who accordingly adopt a variety of delaying tactics. To end this state of affairs, it is suggested that a time limit should be set, after the service of notices or of execution of warrants, after which the bills left unrecovered should be taken out of the hands of the bill collectors and put into the hands of the Legal Assistant for demanding payments, that even if the Court action were required to be taken for non-payment afterwards, the case may not get complicated by the properties changing hands or for any other reason.

Audit has come across cases where rented properties had remained under assessed for the past several years. In view of this the work of examining the valuations annually by the staff cannot be considered to be satisfactory. Such cases of under valuations of rented premises whenever found should undergo full investigations at the hands of the Commissioner and the Deputy Commissioner for tracing the responsibility of the staff concerned in connection therewith. Off and on cases of abnormally low valuations of open plots also come to the notice of Audit and it has been suggested to the Commissioner that it is desirable to undertake special scrutiny of the valuations of open plots of lands and bring them up to date according to the rates prevailing in the respective localities.

The figures of collections in the Assessment bill books as reconciled by the Chief Accountant with his books are not received by Audit and accordingly the figures of receipts from taxes shown in Appendix No. 3 of the Chief Accountant's report lack the requirement of yearly reconciliation with the demand registers (Bill Books) of the department as on 31st March 1943.

In the case of the Estate Agent's Department, regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by issue of audit notes; *i.e.*, pointing out delays in taking timely action against defaulters in the initial stages for the large amounts of

arrears against some individual tenants in respect of vacated tenancies. In some cases the departmental officers reported the parties, like firms etc., to be untraceable but Audit traced out their addresses, either by reference to Telephone Directory or to letting papers and requested the Department for clearance of their arrears. In this connection a special report has been made to the Standing Committee (*vide* Standing Committee Resolution No. 259, dated the 28th May 1943). These arrears of vacated tenancies do not seem to receive as much attention of the departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the Departmental Officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrences of the cases pointed out by Audit and as a result some improvement has been noticed in that respect.

The reconciliation of figures of collections as shown in the Demand Registers of the Estate Agent's Department with those of the Chief Accountant's registers for the year ending 1942-43 has not been received from the Chief Accountant and therefore the figures shown in Apendix No. 23 of the Chief Accountant's abstrat of accounts lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

Since the year 1938-39 the Chief Accountant and the Municipal Departments have not submitted to the Municipal Chief Auditor reconciled accounts of the demand, collection and arrears and hence Audit has not been able to verify their accuracy.

Arrears of Rates and Taxes.

The gross demand and outstandings in respect of the Property Taxes and Tax on Vehicles and Animals were Rs. 338.20 lakhs and Rs. 38.19 lakhs respectively. The percentages of these gross outstandings to the demands were 11.31 in connection with the Property Taxes and 10.87 in connection with the Wheel Tax. As stated in my report number M.C.A. 1510/IV, dated the 19th November 1940 on the books of the Assessment Department for the year 1939-40, the Assessor & Collector has worked out the figures of demand and outstandings from private parties (excluding mills) at Rs. 239.00 lakhs and Rs. 11.77 lakhs showing the percentage of these outstandings to demand at 4.9 which may be said to be the responsibility of the suborinate collecting staff. The figure of outstandings of Rs. 11.77 lakhs does not include sums of Rs. 5.50 and Rs. .30 involved in suits filed and to be filed and the claims payable by the Court Receiver and the Official Assignee.

Arrears of Rent.

The percentages of arrears to demand in respect of permanent and temporary lettings of *ex-Trust* properties were 11.39 and 21.91, respectively, the write-off in connection with the temporary revenue was Rs. .51 lakh against the gross demand of Rs. 26.06 lakhs.

Permanent Revenue.—The necessity of reducing the arrears of some of the building tenants who were found accumulating rents for over three quarters was brought to the notice of the Deputy Municipal Commissioner (Improvements) and due to his efforts the amount of arrears which was Rs. 6.03 on 31-3-1940, Rs. 5.58 on 31-3-1941 and Rs. 5.44 on 31-3-1942 has been reduced to Rs. 4.26 on 31-3-1943.

Temporary Revenue.—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears, who in some instances, as reported by Audit, were companies and firms. Similarly in order to check future arrears, early action is needed in filing suits for ejectment and recovery of arrears of the parties who generally heap up the arrears before action is taken and then become untraceable.

LIABILITIES AND ASSETS

1. The balances shown under the liabilities and assets in the Balance Sheets are as shown in the books of the Chief Accountant's Department the details of which are given (nearest to a rupee) in the various appendices attached to the Chief Accountant's annual abstract of accounts.

2. No details are available for the sum of Rs. 45,37,835-11-11 shown against unbooked property in Capital Balance Sheet (Appendix 7).

3. The property and assets under Loan Funds as shown at the original cost in Appendix No. 8 are being replaced from time to time or disposed off as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the values for those assets which have been scrapped or disposed off and are no longer in existence.

4. In the schedule of assets also included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore, it cannot be said that the Municipality is holding assets to this extent. If such items are to be shown in the Balance Sheet at all, they should be shown under a separate head.

5. In this connection I may mention that after years of insistence by the Corporation for preparation of an inventory of the assets belonging to the Corporation, an interim report showing the number of properties and their estimated present value was submitted by the Commissioner to the Corporation last year (Corporation Resolution No. 68, dated the 13th April 1942). The inventory is incomplete in so far as it does not give properties outside the City and the sources from which they were purchased, constructed or acquired.

6. The desirability of showing these matters in a proper form and at the proper valuations so as to represent a true position of affairs in the Balance Sheet was pointed out in my previous report. Necessary steps should be taken to remedy these defects at an early date.

SCHOOLS COMMITTEE'S ACCOUNTS.

The irregularities in the Committee's accounts are of the following kinds :—

(1) Clerical errors of omission and commission.
(2) Technical breaches of rules and regulations.
(3) Measures involving waste or non-observance of propriety in expenditure.

Due to the persistent efforts made by Audit by issue of audit notes and instructions and occasional reports made to the Standing Committee, the irregularities of the nature described in items 1 and 2 are being brought under some control but the third one which affects economy in expenditure or prevention of waste needs greater care and control. There are instances of premature increments upto maxima of the grades given to some members of the staff, of irregular grants of allowances or conveyance and special duty allowances paid during vacations and leave periods.

3 The following discrepancies in the Provident Fund Account mentioned in the previous audit reports still continue :—

(*i*) A difference of Rs. 6,501-10-6 appearing between the assets and liabilities sides in the Schools Committee's Employees' Provident Fund in the annual Balance Sheet of the School Fund since the year 1928-29.

(*ii*) Deficiency of Rs. 6,825-2-0 in the Schools Committee's Provident Fund Investment Account with the Chief Accountant due to the liabilities of the Fund not having been ascertained formerly by preparing a summarised statement of the balances of the employees' individual accounts.

(*iii*) The balance of the Provident Fund Accounts shown in the School Fund Balance Sheet does not agree with the balance shown in the Chief Accountant's books due to the interest allowed on the individual accounts of the subscribers and shown on the Chief Accountant's books not having been included in the account maintained by the Schools Committee.

In this connection the office of the Secretary, Schools Committee, and the Chief Accountant have since settled the figures of adjustments and it is understood that the application of the Schools Committee for additional grant to set right the discrepancies is pending before the Standing Committee.

Budget.

The budget of the Schools Committee is also not being prepared and presented in the manner to facilitate control over details of expenditure like salaries, allowances, and such other items according to the usual budget methods. It is also not on the standard adopted and followed by all other sister departments. Suggestions for the standardisation of the budget and preparation of the Establishment Schedule on the lines adopted by the Commissioner have already been made in my previous reports to which an early attention is requested.

New Recurring and Non-recurring Commitments.

Several measures adopted by the Schools Committee during the year such as, introduction of promotion rules whereby unearned increments are allowed to the teachers in different grades for helping them to reach the maximum thereof on the basis of 20 years' service ; reduction in the percentage cut applied to grants given to private institutions ; postponement of the policy of bringing down the ratio of 1 teacher from 35 to 40 pupils ; opening of training classes on a large scale ; and increase of the rates of stipends given to student teachers from Rs. 25 to 35 per month may no doubt be considered to be measures for the improvement of the educational system in the City to a higher ideal state but these commitments have cast a great additional recurring and non-recurring burden on the finances of the Corporation.

General Remarks.

It may be repeated that the present system of keeping the Municipal Accounts was designed years ago though some formal changes were made in it from time to time. Since then the finances of the Municipality have considerably expanded and the accounts have become more complicated and with the advance of times, the method of Public Account Keeping has also undergone a considerable change. It is, therefore, necessary that the present system of accounts keeping be overhauled and brought upto the present day requirements.

The want of an Accounts Code or Manual in this Municipality appears to me also a great handicap in the enforcement of uniformity in procedure or apportionment of faults, as the departments are left to put their own interpretations and arguments in justification of their actions. Therefore the preparation of an Accounts Code is necessary.

Financial Position of the Corporation.

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal proper) was Rs. 389.02 as detailed in the margin against the Budget Estimate of Rs. 370.37, Revised Estimate of Rs. 376.61 and previous year's actuals Rs. 367.66. The realisation was thus better by Rs. 18.65 as compared with the original Budget Estimate and more by Rs. 21.36 as compared with the actuals of the previous year.

Actual revenue realised from the following Important sources:—	Rs.
1. General Tax ...	147.95
2. Water Tax ...	91.32
3. Halalkhore Tax ...	38.74
4. Fire Tax ...	6.68
5. Wheel Tax ...	18.14
6. Licences for trades, land conveyance and music ...	2.33
7. Town Duties ...	14.83
8. Return from property and miscellaneous ...	69.03
Total ...	389.02

Similarly the actual expenditure charged to revenue was Rs. 364.65 as shown in details in the margin as against the Budget Estimate of Rs. 387.56 and previous year's actuals of Rs. 359.22 It thus resulted in saving of Rs. 10.00 over the budgeted amount but exceeded the previous year's actuals by Rs. 5.43. The year's working left a Surplus of Rs. 24.36 as against the budgeted deficit of Rs. 4.29.

Actual expenditure charged to Revenue under the following important heads :—

		Rs.
1.	General Superintendence ...	5.29
2.	Assessment and Collection ...	7.72
3.	Fire Brigade ...	3.30
4.	Public Works (Engineering) ...	60.11
5.	Public Health ...	32.22
6.	Plague Expenses ...	0.63
7.	Education ...	42.42
8.	Medical Relief ...	20.63
9.	Public Gardens ...	1.67
10.	General Stores ...	0.76
11.	Pensions, Gratuities and Provident Fund ...	12.74
12.	Contribution to Improvement Schemes ...	24.69
13.	Miscellaneous ...	5.53
14.	Debt ...	125.66
15.	Measures for Civil Defence ...	11.55
16.	Grain Compensation ...	9.73
	Total ...	364.65

The Revenue Fund at the end of the year stood at Rs. 78.25 and after deducting the amounts used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 45.86. This balance at the beginning of the year was Rs. 34.11 and it stood at Rs. 45.86 at the close of the year showing an increase of Rs. 11.75. A reference to the settlement of Assets and Liabilities of the Revenue Fund will show that the actual amount of cash and securities held in the Revenue Fund Account was Rs. 184.37 (inclusive of Rs. 74.33 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 87.28 as detailed in the margin as against the Budget Estimate of Rs. 102.17, the Revised Estimate of Rs. 85.33 and the previous year's actuals of Rs. 103.55. The realisation was thus less by Rs. 14.89 as compared with the original Budget Estimate and by Rs. 16.27 as compared with the actual of the previous year. The actual expenditure was Rs. 103.48 as shown in the margin as against Budget Estimate of Rs. 102.50, Revised Estimate of Rs. 111.54 and previous year's actuals of Rs. 97.68. It was thus more by Rs. .98 than the original estimate and by Rs. 5.80 than the actuals of the previous year. This left a deficit of Rs. 16.20 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 3.17 on account of outstanding charges.

Actual income of Improvement Schemes Account realised from the following main sources :—

		Rs.
1.	Rent and other sources of properties ...	54.13
2.	Contribution from Municipal Corporation ...	24.69
3.	Receipts on account of tobacco duty ...	4.13
4.	Interest and profits on investments ...	4.01
5.	Miscellaneous Receipts ...	0.32
	Total ...	87.28

Total expenditure charged to Improvement Schemes General Account under the following important heads :—

			Rs.
A.—Maintenance of properties and Streets ...			17.58
B.—Cost of Management and Establishment ...	7.59		
C.—Proportionate cost on account of Municipal Supervision ...	0.83		
	8.42		
Less—Charged to General Account and Capital Account ...	8.42		
D.—Debt Charges			79.62
E.—Repayment of excess amount of contribution received from Municipal Corporation ...			6.28
	Total ..		103.48

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 41.84 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 41.84 leaving a balance of Rs. .20 on 31st March 1943. It might be mentioned here that the expenditure of Rs. 41.84 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection. Adding this, the total expenditure on the Primary Education of the City works out to Rs. 44.75. Against this the amount of contribution received from Government during the year was Rs. 9.51.

Income—		Rs.
Contribution from Municipal General Fund ...		41.59
Fees ...		0.18
Interest on investments of Trust and other funds		0.06
Miscellaneous ...		0.01
Total ...		41.84
Expenditure—		
Administration of Municipal Schools ...		39.49
Repairs to Municipal School Buildings ...		0.17
Grant-in-aid to Schools ...		2.16
Reading Rooms and Libraries ...		0.12
Total ...		41.84

The Capital Account (Municipal) started with an opening balance of Rs. 11.42. Additional funds made available during the year were Rs. 25.27 by raising new loans to the extent of Rs. 25.00 and by taking an advance of Rs. .27 from the Municipal Special Funds. The actual expenditure booked was Rs. 19.39 against the Revised Estimate of Rs. 39.36 leaving an unspent balance of Rs. 17.30. The actuals fell short of the Revised Estimates by Rs. .51 per cent. This shows a large disparity between the estimated and actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly the Capital Account (Improvements) started with an opening balance of Rs. 86.24. Receipts during the year amounted to Rs. 27.98. Against this the actual expenditure was Rs. 6.92 on schemes, Rs. 7.68 for repayment of loans and Rs. 16.20 for meeting the deficit in the General Account=Total Rs. 30.80. The balance left in the Capital Funds at the end of the year was thus Rs. 83.42.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1942 were Rs. 345.31. Credits during the year amounted to Rs. 34.76. The debits booked during the year amounted to Rs. 31.50 leaving a total amount of Rs. 348.57 in the Funds out of which Rs. 283.61 were invested in cash and securities and Rs. 64.96 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the report. Net accretions of the Special Fund during the year were Rs. 3.26.

The balances of the Sinking Funds, Municipal and Improvement Schemes Accounts, amounted to Rs. 326.11 and Rs. 310.39 respectively at the book value of securities.

There was a net decrease in the loan liabilities under the Municipal Account and the Improvements Account during the year by Rs. 89.10 and 14.90 respectively. Excluding the balances and liabilities of the Special Funds which have been shown in details in the body of the report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1460.73 for Municipal Account (Proper) and Rs. 1617.89 for Improvements Account, total Rs. 3078.62. Against the Sinking Fund accumulations at the book value of securities amounted to Rs. 326.11 in the Municipal Account and Rs. 310.39 in the Improvements Account, total Rs. 636.50. The percentages of debt charges on total expenditure of the Municipal Account and the Improvement Schemes account are 34.46 and 76.94, respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1943 held in Office Treasury, Banks and Public Securities amounted to Rs. 1,206.09.

The revenue account closed with a surplus of Rs. 24.36 the income having amounted to Rs. 389.02 and the expenditure to Rs. 364.66. This is the first time in the history of the Bombay Municipal Corporation that the Revenue Account closed with such a large balance of surplus. Although this should prove a great relief to the administration during these hard times of war, it does not connote any permanent improvement in the revenue of the Corporation as the receipts making up the surplus are either temporary or extra-ordinary. The income of Rs. 389.02 which exceeds the previous year's income by Rs. 21.36 consists of temporary extra realisations of Rs. 7.34 due to the great impetus received by the industries on account of war conditions. In addition extraordinary receipts amounting to Rs. 7.58 for refund of excess contribution paid to the Improvement Schemes Account in the previous years and interest on Net Premia Fund also contributed to the present surplus. Besides a sum of Rs. 4.12 was paid by Government for taxes during the year which they formerly used to pay in arrears. Thus the total temporary and extraoridinary receipts for which Revenue got credit during the year was Rs. 19.04, and hence the normal receipt of income was very near to that of the previous year.

The expenditure of the year amounted to Rs. 364.65, and after deducting therefrom the extraordinary expenditure of Rs. 21.28 on account of Civil Defence Works and Dearness Allowance paid to the staff, the ordinary expenditure of the year would come to Rs. 343.37. Against this the ordinary expenditure in the previous year was Rs. 356.13 (gross Rs. 359.21 less Dearness Allowance Rs. 3.08), and hence the reduction in expenditure on the ordinary items during the year under report would be Rs. 12.76 which may be attributed to relief granted by Government in the Municipal contribution payable to Improvement Schemes Account by one per cent. of the general tax and the postponement of works of repairs and maintenance for want of materials. Thus the expenditure remained almost the same as that of the previous year.

It may be noted that the expenditure on Civil Defence Works is likely to continue during the war. The progressively increasing dearness allowance will also have to be paid till the cost of living returns to pre-war level, which takes, as experience showed in the past, some time after the cessation of war. The expenditure on the works of repairs and maintenance will be heavy in future for they are being postponed for want of materials. There are also schemes of improvement of water supply and other works under consideration. Moreover, the relief granted by Government in the contribution payable to the Improvement Schemes Account is only temporary for three years at present and the annual receipt of Rs. 10 lakhs in the Revenue Account under sale proceeds of surplus lands now remaining to be sold are estimated at Rs. 9.22 only, and the balance in the Land Sales Reserve Fund is Rs. 26.43.

In view of all these impending liabilities and the revenue position not only the executive will have to be very vigilant in the collection of Revenue and strict in observing economy in expenditure but the Corporation will be pressed with the extreme need of securing adequate additional sources of revenue to meet the expenditure for the increasing needs of this great city.

MUNICIPAL OFFICES,
BOMBAY, *21st September 1943.*

R. C. MEHTA,
Municipal Chief Auditor.

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of Accounts :—

There are three main divisions of Municipal Accounts :—

I.—Municipal Accounts (Proper).
II. Improvement Schemes Accounts.
III. School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be sub-divided into :—

A. Revenue Account.
A1. Suspense Account.
B. Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into :—

(*i*) General Account.
(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes, and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year. such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further sub-divided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of Accounts of the Corporation published in the Bombay Government Gazette from week to week.

THE ACCOUNTING SYSTEM.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3(0) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of :—

(*a*) Hongkong and Shanghai Banking Corporation.
(*b*) Chartered Bank of India, Australia and China, London,

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and his Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collection of Municipal dues from taxes, rents of buildings and lands, sale of rights licence and other fees, etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes paymentof dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor Budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(*iv*) *Payments.*

All bills of establishments, contingencies, works, supplies, etc., received from the departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts not exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans the Trust through Hongkong and Shanghai Banking Corporation and Chartered Bank of India, Australia and China, London.

(*b*) *Daily Accounting.*

The day-to-day transactions of receipts payments and adjustments are introduced into the main accounts through Day Books. In case of expenditure prior to passing bills for payment,the bills are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income similar arrangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up. As regards miscellaneous advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(*c*) *Weekly Accounts.*

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee (*vide* Section 135(1)).

(*d*) *Annual Accounts.*

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(*e*) *Nature of Audit Check Applied.*

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

Municipal Accounts.

Expenditure.

The transactions covered by Audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the head 'Advances', a separate report is being submitted as usual.

Some of the typical errors and omissions noticed during the year under report are summarised as under:—

(1) *Advance payments made to Solicitors, Government and other Local Bodies pending receipt of detailed accounts.*

M C A 350 I
19-5-1939
M C A /1584 I
18-12-1940
M C A /2532 I
6-1-1942

Out of 45 items amounting to Rs. 64,188-4-8 left uncleared at the end of the year 1941-42, 7 items have been cleared during the year under report leaving 38 items amounting to Rs. 59,168-9-11 still uncleared.

M.C.A. 3336/I
11-1-1943

Further list containing 25 items amounting to Rs. 17,101-10-5 outstanding out of advances paid during the year 1940-41 was forwarded to the Chief Accountant on 11-1-1943 for taking necessary action to clear them off. Out of these 7 items amounting to Rs. 553-8-0 have so far been accounted for leaving 18 items amounting to Rs. 16,548-2-5.

Thus the total number of items outstanding out of advances paid upto 31-3-1941 comes to 56 involving an amount of Rs. 75,716-12-4.

M C A /2532/I
6-1-1942

A sum of Rs. 2,600 was advanced to the G. I. P. Railway in 1939 for preparation of plans and estimates for a new foot over-bridge at Dadar Station (*vide* Standing Committee Resolution No. 1498, dated the 31st January 1939). No plans and estimates were, however, prepared till July 1942. Audit having pointed out the futility of preparing plans and estimates after such a long time under the present conditions, the Commissioner called back the amount from the Railway which they returned after deducting Rs. 132-7-0 expended by them for taking trial-pits. This requires report to the Standing Committee which the Commissioner has been requested to do.

(2) *Excess or wrong payments and errors and omissions.*

(*a*) The following cases of excess or wrong payments and omissions of recoveries or short remittances were noticed and recoveries were got made in respect thereof:—

Serial No.	Case No. and Date.	Amount.	Particulars.
		Rs. a. p.	
1	M.C.A. 2840/I of 20-5-1942	... 2 9 0	House rent allowance to a market peon while on leave.
2	M.C.A. 3071/I of 7-9-1942 M.C.A. 3137/I of 28-10-1942	... 12 0 0	Daily allowance allowed to the Hydraulic Engineer in addition to mileage by rail and road in two cases.
3	M.C.A. 3029/I of 21-8-1942	... 2 4 0	Conveyance allowance paid to a ward inspector of the Assessment Department while on leave.
4	M.C.A. 2950/I of 17-7-1942	... 2 15 0	Grain compensation allowance paid to an employee not entitled for the same.
5	M.C.A. 2927/I of 2-7-1942	... 0 2 0	Contributions to the Municipal Fidality Guarantee Insurance Fund from an employee in the City Enginer's Department for a period from 22-5-1941 to 31-5-1941.
6	M.C.A. 3087/I of 11-9-1942	... 0 2 0	Excess interest allowed in the provident fund account on account of leave in excess of the limits admissible.
7	M.C.A. 3286/I of 17-12-1942	... 0 5 0	Excess interest allowed on a provident fund account for the period after 3 months from the date of resignation.
8	M.C.A. 3176/I of 22-10-1942	... 0 9 0	Leave salary allowed at full pay instead of at average pay.
9	M.C.A. 3417/I 12-2-1943	... 4 8 0	Mileage allowance drawn by an Assistant Engineer in the Hydraulic Engineer's Department for mileage by rail and road in addition to daily allowance.
10	M.C.A. 2741/I of 10-4-1942	... 50 4 0	Rent of a room in C. I. T. Chawls occupied by a peon of the Assessor and Collector's Department while on leave.
11	M.C.A. 2882/I of 13-6-1942	... 21 14 0	Leave salary allowed to Dr. K. D. Manohar from 23-12-1941 to 25-4-1942 in excess of the amount admissible.
12	M.C.A. 3492/I of 9-3-1943 M.C.A. 3501/I of 11-3-1943	... 1 6 0	Grain compensation allowance to 5 bigaris in G/South paysheet for December 1942 and to a nurse at Cadell Road Maternity Home.
13	M.C.A. 2586/I of 9-2-1942	... 21 10 0	Amount erroneously debited by the department to the final grant was got transferred to advance account for necessary recovery from Government who has agreed to bear the cost for training candidates for Auxiliary Nursing Service.
14	M.C.A. 3531/I of 23-3-1943	... 19 13 0	Interest allowed less by 4 Banks on the current account balances of the Corporation with them for the period ending 30-6-1942.

(*b*) The following are the cases in which errors and omissions were brought to the notice of the departments and got rectified or instructions were issued for future guidance :—

Serial No.	Case No. and Date.	Particulars.
1	M.C.A. 2724 I of 2-4-1942 M.C.A. 2871/I of 6-6-1942 M.C.A. 3177 I of 24-10-1942 M.C.A. 3197, I of 6-11-1942 M.C.A. 3506 I of 16-3-1943 M.C.A. 3052, I of 31-8-1942	Amounts not allocated to proper budget grants.
2	M.C.A. 2780 I of 30-4-1942 M.C.A. 2859 I of 1-6-1942 M.C.A. 3040 I of 24-8-1942 M.C.A. 3095/I of 12-9-1942 M.C.A. 3342/I of 15 1-1943	Payments made without obtaining proper discharges from the parties.
3	M.C.A. 2849/I of 28-5-1942 M.C.A. 3321/I of 6-1-1943	Payments made without obtaining on the bills signatures of the passing officers.
4	M.C.A. 2974/I of 29-7-1942 M.C.A. 3075/I of 8-9-1942 M.C.A. 3341/I of 15-1-1943	Mistakes in leave accounts.
5	M.C.A. 2794/I of 5-5-1942 M.C.A. 3074/I of 8-9-1942	Excess deductions on account of provident fund made from the salaries of employees.
6	M.C.A. 2891/I of 19-6-1942 M.C.A. 2924/I of 30-6-1942 M.C.A. 2900/I of 24-6-1942 M.C.A. 2760/I of 18-4-1942 M.C.A. 2808/I of 8-5-1942 M.C.A. 3356/I of 27-1-1943	Posting of vouchers to wrong heads of accounts in the Day Books.
7	M.C.A. 3211/I of 11-11-1942 M.C.A. 3284/I of 16-12-1942	Payments made without obtaining proper certificates from Departments on the bills.
8	M.C.A. 3179/I of 28-10-1942	...Variation in the date of drawing salary of Rs. 29 by an employee as shown in the service book and in service record.
9	M.C.A. 2999/I of 7-8-1942	...Payment made without obtaining requisite sanction of the Municipal Commissioner.
10	M.C.A. 3437/I of 18-2-1943 M.C.A. 2810/I of 8-5-1942	Paid bills not written up in the Day Books and the Day Books erroneously balanced by increasing the amounts of cash payments out of cash bills outstanding account to the extent of such bills.
11	M.C.A. 3551/I of 30-3-1943	...A voucher booked in the Day Book as cash bill for payment at the counter, again included in the summary of cheques drawn in favour of the Presidency Post Master for payment by money order.

(3) *Rules, Procedure, etc.*

(1) *Irregular Operation of Budget Grants.*—With reference to my remarks in the Audit Report for 1941-42 at page 19, part III of the Commissioner's Administration Report it may be mentioned that the mixed practice of crediting either to Revenue Head or to Expenditure Grants the receipts on account of the sale or issue of Municipal publications to out-side parties or to other departments still continues in the Municipal Departments.

M C A /3145/V 9-10-1942 & M C A /2211/I 16-8-1941

The objections to this practice are—

(*a*) The Budget Grants are gross and not net and hence credits on account of sale price taken under grants, result in inflating the balances of grants.

(*b*) Publications are used by the sister departments in connection with the administration of the departments publishing them and therefore the cost need no interdepartmental adjustment.

(*c*) It lacks uniformity in charging the grants.

(*d*) It causes confusion in watching current expenditure against current grants and involves unnecessary clerical labour.

The Chief Accountant was requested to discontinue this practice of giving credits to grants and of passing adjustments for issue of publications by one department to another. He however, explained that as the allocations of grants to the departments were made on the basis of requirements of the particular department, the service rendered or charges incurred by one department on behalf of another department were adjusted by debiting the grant of department receiving the service, etc. At the same time he informed Audit that he had issued instructions to the departments to give such credits uniformally to the grants and not to revenue and gave an assurance that care would be taken to see that the credits on account of previous years would not be utilised for expenditure in the following year.

However, several cases of irregularities have since been noticed in this respect and communicated to the Commissioner. In one case expenditure exceeded the budget grant due to this faulty practice followed

in spite of the audit warningand the matter is referred to the Commissioner. It is, therefore, suggested once again that receipts for issue of Municipal publications to out-siders be taken to Miscellaneous Revenue and the inter-departmental adjustments for such publications be discontinued for the reasons mentioned in para (1) above.

(2) Under Section 132 of the Municipal Act, for any portion of a Budget Grant remains unexpended at the close of the year, the Standing Committee may sanction the expenditure of such unexpended portion during the next following year for the completion according to the original intention or sanction of the purpose or object for which the Budget Grant was made.

M C A /1457 I
14-10-1940

The portions of such unexpended balances of grants are renewed every year by the Standing Committee to the extent they are required to meet the liabilities undertaken during the previous year.

Obviously the object of the provision is to restrict the incurrence of liabilities during a financial year to the extent of the grant provided in that year's Budget, and if any of the liabilities remain unpaid during the year, the balances of the Grants may be renewed to meet them in the next year.

It is noticed that strict uniformity is not observed by the Accounts Department in the operation of the renewed balances of grants. In one case repairs-work was carried out to the burst that occurred to the Water Main on 26th January 1940, *i.e.*, in 1939-40. Some cost of the departmental bills for part work done was debited to the Renewed Grant of 1939-40 and the cost of the last bill which was received in March 1940 was met out of the Budget grant for 1940-41. The Chief Accountant being questioned as to the inconsistency of procedure followed by him, explained that in case of recurring Budget Grants such as Establishment, Stores and materials, contingencies, repairs and maintenance, etc., the purpose of the grant is identical from year to year and as such the liabilities outstanding in respect of the previous year can be met out of the Budget provisions for the next following year and therefore the expenditure in respect of the departmental bill for March 1940 for work undertaken in January 1940 was correctly met from the Budget Grant for 1940-41. According to him the restriction to meet the liabilities of the previous year only out of the balances of the previous year's grants applied only to cases of special repairs, equipment, new works, etc.

If this explanation is accepted, it would nullify the provisions of Section 132 and the Chief Accountant is free to debit any expenditure on establishment, stores and materials, contingencies, repairs and maintenance incurred but not paid during a previous year out of the Budget Grants of the next following year as the purpose of the grants is identical from year to year.

The Standing orders of the Commissioner in this connection are that if any orders put during the year remain unexecuted in that year the liabilities in respect of those orders should be transferred to the next year. This means that if for instance an order for stationery is put in the month of January and if the supply thereof is received in April next year, the liability will be borne by the grant of the next year as the articles of stationery received under the order will be for use in the next year. This, however, cannot be twisted to suit a case of repairs-Works which was under taken in the month of January, but a portion of the cost thereof was charged to the grant of the following year. This would be a good cover to meet excesses over the grants.

This loose practice defeats the purpose of the Act to restrict incurrence of expenditure during the year only upto the provisions in the Budget and should be discontinued.

(3) (*a*) *Re*: Road Repairs and other works done departmentally by City Engineer.—For estimates of repairs and other minor works for roads, etc. costing less than Rs. 500 and not requiring the Commissioner's sanction, work orders are issued by the City Engineer or his subordinate officers and notes thereof are taken in the registers maintained for the purpose in his office. And for works estimated to cost Rs. 500 and more sanctions of the Commissioner are obtained through the Chief Accountant who takes necessary notes of liablities against the respective grants, Thus for all estimates approved and work orders issued the Chief Accountant's Office is not aware of the liabilities incurred against seach grant during the year, and although when the bills are presented to the Chief Accountant for adjustment, he carries out the adjustments only to the extent of the available balances in the grants, he has no control over the incurrence of expenditure so as to restrict it to the available balances of grants.

M C A /3528/V
15-3-1943

The register's of the City Engineer's Office, where notes of all liabilities are taken, were therefore scrutinised to see how far the expenditure was controlled in that office. As a result it was noticed that druring the three years 1939-40 to 1941-42, 511 work orders were issued but no notes of adjustments or bills were found against 277 cases. The Department being called to explain, lightly stated that these cases were not really outstanding but the notes of actual expenditure were not taken against the jobs, as the clerks attending the preliminary work of obtaining sanction and those putting up adjustments after the completion of works were different. If no notes of actual expenditure or adjustments were taken by the department, how at any time it could ascertain the outstanding liabilities to restrict further incurrence of expenditure to the available balances of grants ? Also the Chief Accountant had no effective control on the incurrence of expenditure though he could restrict the booking of expenditure within the Budget Grant.

(*b*) Regarding allocation of charges between revenue and capital:—

The cost of constructing carriage entrances borne in whole or in part by the Municipality is being charged to Revenue in Budget B and to Capital in Budget A. Attention of the Chief Accountant being called to this inconsistency in charging such expenditure in one case to Revenue and in another to Capital, he explained that in the case of Budget A the cost was debited to Capital as per the orders obtained under Corporation Resolution No. 983, dated the 11th January 1940 and that in case of Budget B the cost of some minor works of capital nature including construction of carriage entrances were debited to "General (Revenue) Account" from the year 1940-41 and that there was nothing irregular in doing so.

So far as the Improvement Schemes Account is concerned there are definite statutory provisions regarding allocation of expenditure between the Capital Account and the General(Revenue) Account, according

to which all expenditure on schemes which include construction of roads, carriage ways, etc., is chargeable strictly to Capital Account and not to the General Account.

In the circumstances the charging of these works to Revenue Account is not in order.

Moreover, the transfer of such expenditure from Capital to Revenue in the Budget, as mentioned by the Chief Accountant, by itself, is no authority to overide the statutory provisions, which ought to have been brought to the notice of the Standing Committee and the Corporation before effecting such a change in the Budget.

(4) Water meters purchased some 25 years back are being replaced at an estimtaed cost of Rs. 3,01,025 for which annual grants of about Rs. 35,000 are being provided in the Loan Works Budgets. As the life of the meters is hardly 25 years it is unsound to borrow every 25 years for their renewal against the Sinking Fund provisions made from revenue on the basis of 30 years which is the currency of our present loans. The desirability of taking advance out of the Special Funds for the estimated life of the meters, as in the case of Plant and Machinery, was therefore suggested to the Commissioner. The Chief Accountant, however, did not reply to this point and generally explained that the purchase of water meters from the Loan Funds was sanctioned by the Corporation and that no separate loans could be borrowed for each item of the assets.

M C A /2718/I
16-10-1942

The realisation from meter hire is about Rs. 75,000 a year which should be sufficient to meet the cost of replacement of meters at a cost of about Rs. 35,000 a year which is being provided in the Loan Works Budget.

(5) No uniformity is being observed in booking the charges against renewed grants, *e.g.*, indents issued prior to March 1942 were found booked against the grants for 1942-43. In one case although the supply was received in February 1942 the charges were booked against the grant for 1942-43. The Chief Accountant has been therefore requested to observe strict uniformity in procedure in this respect.

M C A /3039/I
22-8-1942

Irregular allocation of expenditure to grants:—

(1) In the K. E. M. Hospital the expenditure on the purchase of articles such as cloth for window curtains, coach covers, dusters, etc., used in the Nurses' Home is charged to the grant for Servants' Clothing. Similarly the cost of articles like bandage cloth, dressing cloth, window curtains, screen covers, coir for mattresses, etc., is charged to the grant for Patients' Clothing. Attention of the Commissioner having been drawn to this defective classification of charges the Departments have been instructed to revise the classification of grants in the next Budget.

M C A /3420/I
15-2-1943

(2) The charges for replacing the machine of a clock in the K. E. M. Hospital which should be borne by the Contingent Grant of the Hospital were met from the Poor Box Charity Fund. This being objected to by Audit, steps are being taken to supplement the Contingent Grant were there is no balance to adjust the charges.

M C A /3462/I
26-2-1943

(3) A sum of Rs. 214-15-9 being a portion of the cost of utensils purchased for the use of the Fire Brigade staff as a measure of A. R. P. Schemes and chargeable to Municipality as per the scheme of allocation of cost between Government and the Municipality has been debited to the ordinary revenue grant of Fire Brigade instead of to the proper budget grant provided in the Revised Budget under 'XX.—Measures for Civil Defence'.

M C A /3256/I
7-12-1943

(4) The cost of table diaries purchased by different departments of the Municipality was debited to different categories of budget grants by the departments such as, contingencies, books and dead stock, stationery, etc. On a reference being made the Chief Accountant explained that the charges in question should be debited to the grant for stationery where a specific grant exists otherwise to the grant of contingencies. A circular was issued to the Heads of Departments in the matter by the Chief Accountant and adjustments were effected in cases where the charges were booked against wrong grants.

M C A /3398/I
4-2-1943

To a casual observer these irregularities may appear to be negligible as he would think that in any case money is to be paid by debit to any of the grants provided in the Budget. It may, however, be noted that they are not negligible in view of the fact that the grants are given to the departments after full consideration of their requirements falling under each head, and if the departments are allowed to operate any grant under which they have got sufficient funds for want of balances under the appropriate grants, it would touch the vital point of control over expenditure by means of Budget Grant. Again, if the cost of dead stock articles is debited to contingency, there can be no proper check against the omission of the articles from the registers of Dead Stock which are intended to show the existence of the articles till they are disposed of under proper sanctions.

It is therefore necessary to see that all requirements appropriate to a Budget Grant are provided under that grant and the expenditure when incurred is debited to it instead of explaining away that the funds were provided under some other grant (the nature of which is quite different) and hence the debit was also given to that grant.

Under the Municipal Service Regulations house rent allowance is payable to a Municipal servant actually performing the duties of a post to which the allowance is attached. During his absence on leave not exceeding four months, the allowance is payable to him if no substitute is appointed in his place, but no extra expenditure is to be incurred on this account.

A E /12586
20-12-1941

In the case of Municipal servants who are occupying rent-free quarters in the Improvement Schemes Chawls, in lieu of house rent allowance, the quarters remain in their possession when they are on leave and the rent at Rs. 6 per month is adjusted by debit to the expenditure and credit to the Improvement Schemes Revenue if the leave does not exceed four months, and in addition house rent allowance at Rs. 4 per month is paid to their substitutes. This incurrence of expenditure is not permissible under the Municipal Service Regulations and therefore not in order.

Attention of the Commissioner being drawn to it, approval of the Standing Committee has been obtained under their Resolution No. 1648, dated the 20th January 1943 to continue the practice.

As, however, the procedure itself is contrary to the principle of the Municipal Service Regulations adopted by the Corporation under Section 81 of the Act, approval of the Standing Committee thereto does not make it any the less objectionable. It is, therefore, necessary to regularise the matter either by amending the Municipal Service Regulations or by recovering from the employees on leave, house rent at Rs. 4 per month which is paid to their substitutes during the period of leave not exceeding four months.

M C A /2896/I
22-6-1942

A number of bills passed by the Chief Accountant in connection with the Civil Defence Works did not bear necessary sanctions till after they were paid and sent to Audit. The Chief Accountant set the matter right when he was asked to explain the irregularities.

M.C.A. /2991/I
5-8-1942

A clerk from the Market Department was deputed to the Junnar Court as per summons served on the Superintendent of Markets to give evidence in a private civil suit. He was allowed by the Court travelling and Bhatta (subsistence allowance) of Rs. 6-4-0. Under the Rule No. 193 of the Municipal Service Regulations an employee is required to credit to the Municipal Fund any sum which he receives from the Court as subsistence allowance before he draws full pay for the day or days on which he absents for attendance at the Court. The Chief Accountant being asked as to why the amount was not duly recovered from the employee explained that the summons was served on the Superintendent of Markets in his official capacity and therefore the case was covered by Municipal Service Regulation No. 188 and not by Rule 193, and hence the bhatta drawn by the clerk was in order.

It was enquired of the Chief Accountant that if his contention was correct why travelling allowance was not allowed as per journey on tours under Rule 188. The Superintendent of Markets was also not summoned in any of the circumstances mentioned in that rule *e.g.*

"(1) in a criminal case; (2) in a civil case to which the Corporation was a party, and (3) in a departmental enquiry held by a properly constituted authority."

On this the Chief Accountant shifted the argument and further explained that the bhatta allowance represented the actual charges for boarding and lodging and that the bill was admitted under Rule 188 and that the particulars of the bill were in order.

The amount is negligible, still it is an irregularity and the ways of explaining the case of payments made by the Chief Accountant are far from satisfactory. Minor errors like this are always likely to occur but their admission before audit by the authorities concerned helps a good deal in minimising them in future instead of adopting a line of inconsistent arguments in up-holding them.

M C A /3015/I
13-8-1942

The Import staff of the Town Duty Office was paid overtime for extra hours of duty put in by them during office days. They were also paid for attendance on Sundays and holidays what was termed as "extra wages". Similarly the telephone attendants of the Water Works Department at Babula Tank were paid overtime allowance for attendances on Sundays and holidays.

The Chief Accountant used to recover provident fund subscriptions on the overtime allowance and extra wages paid to the import staff of the Town Duty Office while no recovery was made for similar payments made to Water Works staff.

It will be seen that in one case the remuneration is termed as extra wages and in another over-time allowance for duties rendered by the staff on Sundays and holidays. The Municipal Service Regulations have laid down definite terminology for each kind of remuneration that a Municipal servant may draw and there is a definite relation of this terminology to the benefits admissible for each kind of remuneration under the Provident Fund, Pension and the Leave Rules framed by the Corporation.

When the Chief Accountant was requested to explain the above inconsistency, the deductions on account of provident fund for over time allowance given to import duty staff was discontinued and overtime allowance given to the staff of the Water Works Department was changed into special pay with the sanction of the Standing Committee (Standing Committee Resolution No. 1962, dated the 17th March 1943). Thus the remuneration for the extra time put in by the staff on Sundays and holidays has been termed as special pay which carries benefit of provident fund and the extra time put on week days is termed as overtime allowance which does not carry any such benefits.

It may be observed that a duty allowance (special pay) is a fixed sum based on monthly rate while overtime allowance varies with the rate of pay or wages and the time for which the work is done by the employees and the remuneration paid for this kind of work is all in the nature of overtime allowance for which no provident fund benefits can be allowed.

In obtaining sanction of the Standing Committee and/or of the Corporation proper consideration is not given to the terms applicable to the extra remunerations (special pay in the present case) proposed to be given and therefore in practice it results in the irregularities in granting the benefits admissible under different regulations.

It is apparent that in fixing the remuneration in one case as special pay and in another as overtime allowance no principle is observed.

M C A /3005/I
10-8-1942

A cooly whose services were dispensed with on account of continued absence for over six months without leave was allowed to continue to subscribe to the old account of provident fund from the date of his re-employment with Commissioner's sanction under Rule 14 of the Provident Fund Regulations. The Chief Accountant was requested to produce the sanction of the Standing Committee under Rule 13 of the Provident Fund Regulations. But he instead of producing the sanction of the Standing Committee for condonation of the break in service, obtained the Commissioner's sanction to treat the period of the break as leave without pay in order to treat the service as continuous, thus avoiding taking of the sanction of the Standing Committee under Rule 13 of the Provident Fund Regulations.

The rules framed by the Municipal Commissioner in respect of grant of leave to the labour class of employees were not being strictly observed by the Departments. Two employees who absented themselves continuously were continued in service by granting leave without pay upto the maximum period of six months irrespective of their length of service or leave enjoyed by them from time to time and interest on their Provident Fund balances was allowed to them for the whole period. To set right the irregularity the Chief Accountant had to get the dates of termination of services altered and reduce the interest on provident fund account.

M C A /3087/I & 11-9-1942
M C A /3070/I 7-9-1942

In this connection it may be observed that the departments were not keeping proper service and leave records of this class of employees. The Commissioner has since issued order to the departments to keep these systematically and regularly.

Debentures of the face value of Rs. 15 lacs being a portion of the loan for 1941-42 were printed and issued as from 15-2-1943 for the purpose of interest whereas the amount of Rs. 15 lacs was brought on the books under Loans Fund on 25-2-1943. The Chief Accountant is advised that in future such transactions should be brought on the books of public body like the Corporation on the exact dates on which they occur.

M C A /3547/I 26-3-1943

For the Municipal works done by contracts, the period of completion is fixed by the City Engineer and provided in the estimates. If the period so fixed is exceeded in completing the work for any fault of the contractor, the cost of the Municipal supervision at the rate fixed in the contract is recovered from the contractor for the excess period. If, however, the contractors complete the work earlier, they are paid bonus at the rate fixed for supervision for the period of early completion. During the year 1941-42, 14 works were completed by the contractors before the contract periods and the amount of bonus allowed to them aggregated Rs. 18,751-5-0.

M C A-/2742/I 11-4-1942

It may be observed that the completion period for works is fixed in the estimates with due regard to the nature and quantity of work and other conditions obtaining in carrying out the work properly in all its stages, agreeably to the soundness of the structure. The shortening of the duration of this completion-period may do more harm than good to the structure itself. The truth of this is borne out by the report of the expert committee on the fall of the building in the Back Bay Reclamation Scheme. Even defective works (especially underground works) may be covered up hastily without much notice and the contractors may be doubly benefited. Very often many of the items are changed after the contracts are entered into, resulting in either decrease or increase in work. There are also various kinds of diversions found necessary in the underground works. For all these changes much benefit goes to the contractors under this clause of the contract period. Besides early completion of works is in the interest of the contractors themselves, as it helps in relieving earlier, their money, tools and plant, machinery and other equipments and services of their supervisors, which may profitably be utilised for other prospective works.

On the other hand, if some works are completed earlier the Municipality cannot disengage the supervising staff which they permanently maintain.

Such practice of granting bonus does not exist in the Public Work Department of the Government and in the circumstances stated above its continuance by the Municipality does not seem to be necessary or even desirable.

Certain books for examination of Head Clerks were printed in 1930 and as the cost was recoverable by sale, etc., it was debited, in the first instance to an advance account. As the cost of books amounting to Rs. 412-12-0 could not be realised the books having gone obsolete, the amount was written off in 1941 by transfer to the Printing Grant of the Municipal Commissioner. This was objected to by Audit on the ground that the current Printing Grant was not intended for writing off such losses and sanction of the Standing Committee and the Corporation was necessary to write off the value with a special grant obtained under Section 131(1) of the Act.

M C A /2468/I 3-12-1941

The matter was reported to the Standing Committee. The report was recorded after inviting the Commissioner's remarks (*vide* Standing Committee Resolution No. 1509, dated the 23rd December 1942 and Corporation Resolution No. 1016, dated the 11th February 1943).

However, the Municipal Chief Auditor does not agree in principle that the Commissioner should utilise available balances of any current budget grant for purpose of writing off any loss on account of stores, materials or articles purchased out of advances.

(4) *Internal Check.*

There is no approved list of duties of the officers and other staff in connection with the handling of cash, stores and accounts in the Chief Accountant's Office and in the other Departments of the Municipality. Such a list is essential for the purpose of fixing responsibility on the persons concerned in case of default in their legitimate items of work. The Commissioner was accordingly advised in the matter and he has passed orders for the preparation of the list. Although three years have since passed the list is not received by Audit.

E H /1587/S R 30-11-1939 & A E /675 31-7-1941

It was stated in the last year's audit report that some of the individual accounts of the private parties maintained by the City Engineer's Department in connection with the works of levelling, metalling private streets were not singed by the Assistant Engineer and the closing balances of claims for principal and interest, the noting of sanctions and waiving interest claims were not duly attested. Interest claims were not even worked out upto the end of each year. The City Engineer had agreed to comply with these requirements from 1st April 1942. It it noticed, however, that the entry of the party's name with amount of claim is being attested by the Assistant Engineer but the rest of the requirements are not complied with by the City Engineer.

M C A /2521/I 23-12-1941

It was reported last year that a peon of Market Department who was allowed a residential railway season ticket (permitted only to the peons residing in Municipal Chawls) was also found to have drawn House Rent through monthly pay bills. Recovery for the House Rent was got effected, and the peon was fined by the Superintendent of Markets for his failure to deliver over a memo of occupation of Improvement Schemes room given to him by the Estate Agent's Department to the Department of the Superintendent of Markets.

M.C.A. 2642 I
21-2-1942.

It may however, be observed that the records in the Chief Accountant's Office showing the issue of residential season tickets which are allowed only to the peons occupying Trust rooms and the House Rent Allowance drawn in the pay bills were sufficient to ensure against such wrong payments if they were systematically kept and watched.

The pay-masters accounts for 1941-42 were not found tallied with the detailed sheets maintained by the pay-masters in the Chief Accountant's Office and the totals in the registers were also in pencil. At the instance of Audit the Chief Accountant has agreed to do the needful in future.

M.C.A. 3161/I
16-10-1942.

The pay-masters in the Chief Accountant's Office are required to pay back into the Treasury next day morning the unpaid balances of the pay-bills given to them each day.

M.C.A. 2826 I
14-5-1942.

In this connection it was observed that a sum of Rs. 1,122-1-6 on account of unpaid amount of 11-5-1942 was paid back by them into the Treasury on 15-5-1942. The Chief Accountant being asked to explain stated that there was a shortage of Rs. 1,000 in the undisbursed amount and it could not be made out as to which of the two pay-masters was at fault and therefore both the pay-masters were made to pay up the amount out of their own pockets and hence the delay.

It may be remarked that the method followed in paying the money in the morning to the pay-masters which did not help in fixing the responsibility on any one of them is faulty and better and stricter control is needed over this matter to avoid recurrence.

As a practice the pay-masters while making payments to the labour staff deduct one anna for every payment made in excess of Rs. 20 and affix revenue stamps to the paysheets and cancel them.

M.C.A./2869/I
6-6-1942.

In one case of a labour paysheet no revenue stamps for payments made in 81 cases were affixed. On an explanation being called for the needful was done and the paymaster was warned to be more careful in future by the Chief Accountant.

There is no question of being careful in such matters where surplus money do remain in the pocket if they are not used for the purposes for which they are given and therefore the member of the staff at whose hands such irregularities occur deserves proper punishment.

A pay-master refunded into the Municipal Treasury Rs. 99 found in excess with him. On a query as to the nature of discrepancy for the excess amount found with the paymaster the Chief Accountant explained that the excess was presumably due to less payment having been received by some-body.

M.C.A.3273/I
12-12-1942.

During visit to E/East and West Wards of the repairs section of the Architectural Branch of the City Engineer's Department a number of indents for materials issued by the wards from December 1941 to February 1942 on a firm of contractors for that year were noticed to have been cancelled on 1-5-1942 on the ground that due to international war conditions the contractors were unable to make the supplies. Prior to the cancellation of the indents on 1-5-1942 a large quantity of materials lying with the contractors was taken over by the City Engineer including some items like bamboo, soil pans, bricks, etc., for which purchase price at almost double the contract rates was to be paid. Thus on one hand the indents for the supplies to which the Municipality was entitled at contract rates which were far below the market rate were cancelled and on the other hand purchases made by the Municipality from the contractors were paid for at the high market rates. This appeared to be quite inequitable to the Municipality. Audit made a reference to the Commissioner and the City Engineer explained that the works for which the indents were placed were not to be carried out due to war condition and hence the indents are cancelled.

M.C.A./2906/I
24-6-1942.

The explanation seems to be quite illogical in view of the fact that the materials of different varities were taken over by the City Engineer just after the contract year was over on the ground that they would be very useful for various Municipal works and that it would not be possible to get the same thereafter for the proposed prices.

As against this another Department (Chief Controller of Stores) made a recovery of Rs. 1,200 from the same contractors on account of the difference between the market price and the contract rates for their failure to supply the indented articles.

Under the above circumstances the explanation given by the City Engineer for cancelling the indents on a large scale for supplies which the contractors failed to make under the contract does not seem to be satisfactory.

In the register for plant and machinery maintained in the Chief Accountant's Office, the remark 'sold' made against some of the machinery were not supported by notes of sanction under which the sales were effected and of the credit voucher and date for the money received therefor. The Chief Accountant after receiving the audit note has done the needful excepting in about 4 cases the papers whereof are reported to be not traceable. These omissions relate to the several past years which show that no notes of sanction for the disposal of the machinery and of the sale price, if any, realised with reference to credit voucher and date were taken on the registers of plant and machinery maintained in the Chief Accountant's Office.

M.C.A. 2989 I
4-8-1942.

Statements showing the plant and machinery with the different Municipal Departments with certificates of their existence and verification as on 31st March 1942 and also of 1943 have not been received upto June 1943.

M.C.A./2332 I
11-10-1941.

The procedure for verification of the consumption of electric energy at the various stations and offces by the Municipal staff as per the bills preferred by the Company as mentioned in the last year's audit report was adopted as a measure for trial for six months after which the matter was required to be reported to the Commissioner.

The Report is called for by Audit and is awaited.

(5) *Imprest Accounts.*

The amount of petty cash advance with the various Municipal Departments as on 31st March 1943 was Rs. 40,201-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of the charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking in this respect.

(*a*) *Miscellaneous Departments.*

During the year surprise test checks of the Imprest Accounts of various departments were effected in 33 cases. The irregularities and defects noticed in the accounts were communicated to the Commissioner. Defects of common nature are summarised as under :—

(1) Payments made without sanctions.
(2) Payments made without proper discharge from payees. (In some cases even the usual declarations were not signed by the payees.)
(3) Full and detailed particulars of journeys performed, not given in the conveyance bills.
(4) Bills not paid but entered in the petty cash books.
(5) Usual certificates for cash balances in hand at the end of each month not recorded in the petty cash books under the signature of the supervising officers.

Some typical instances of irregularities noticed are given below :—

M.C.A./1906/V
9-4-1941.

As pointed out in the last audit report, an Assistant Engineer in the Hydraulic Engineer's Department who drew an allowance of Rs. 40 per month for maintaining a motor cycle was also charging taxi fares for attendances at fires. As a result of aduit action extra taxi fares have been discontinued and he has been granted a consolidated conveyance allowance of Rs. 75 per month for a car to ensure his immediate attendances at the sites of fires (Corporation Resolution No. 1064 dated the 11th February 1943). This allowance has since been increased to Rs. 100 per month as a temporary measure for the duration of war and six months thereafter (Corporation Resolution No. 192, dated the 14th June 1943).

M.C.A./3165/V
16-10-1942.

Hydraulic Engineer's Office :—(1) Payments amounting to Rs. 141-9-0 in respect of 35 vouchers for the months of September and October 1942 were not found taken in the cash book upto 7th October 1942. This was explained to be due to sickness of the clerk concerned. Cash book should be written from day to day and it is the duty of the supervising officers to see that the work is got done by any other man in absence of the clerk in charge. (2) An amount of Rs. 4-14-0 p aid wrongly for a residential pass to a peon in July 1942 was left unrecovered from him. This was got recovered.

M.C.A./2940/V
13-7-1942.
23-11-1942. &
17-12-1942.

Mechanical Engineer's Office :—(1) Assistant Engineer, Transport, who did not possess any powers used to sanction all payments. The irregularity being brought to the notice of the Department sanctions are now being given by the Mechanical Engineer himself. (2) No security has been taken from the peons who are asked to carry cash collections exceeding Rs. 100 to Head Office. The Commissioner has been requested to consider the question and his reply is awaited. (3) 12 bags of salt were purchased direct from the market by the Mechanical Engineer for use on the refrigerator plant at Arthur Crawford Market in place of calcium chloride. The Department has been advised to get supplies in future through the Controller of Stores who should see that Government concession to supply salt "duty free" for industrial purposes is duly obtained. (4) Due economy was not found observed in sanctioning the conveyance bills *e.g.* return gharry hires were paid where tram and bus fares would have been just and fair; Peons were given train fares although they possessed duty passes. The Department has promised to see that in future cheaper means for return journeys are generally adopted.

M.C.A./3147/V
13-10-1942.

Office of the Superintendent of Gardens :—Cash balance in hand was in excess by Re. 1. This was explained to be due to private cash of the overseer being mixed up with the office cash. The persons concerned have been warned against mixing private cash with office cash in future.

M.C.A./3495/V
9-3-1943.

City Engineer's Central Office :—Conveyance bills amounting to Rs. 27 for the period from November 1941 to February 1942 were found paid in December 1942 *i.e.* nearly after 10 months by debit to the grant for 1942-43. This involves a breach of the provisions of the Act in as much as the charges for 1941-42 were debited to the budget grant for 1942-43. Reply is awaited.

M.C.A./3188/V
4-11-1942.

Office of the Assistant Health Officer E Ward :—Out of the imprest money a sum of Rs. 25 was advanced to the Welfare Organizer. The Welfare Organizer is not an officer of that unit and the officer of the ward has no authority to make such an advance. The Commissioner has since ordered that in future such unauthorised advances should not be given.

M.C.A./3474/V
1-3-1943.

Executive Health Officer's Office :—Train fare paid to a peon as per the bill submitted by him was in excess by pies six. This appears to show ignorance on the part of the peon as to the real charges of the train-fare between the stations he travelled. (2) Charges for victoria hire paid to the Propaganda Officer on certain days also appeared to be heavy. (3) Some paid vouchers were not taken in the petty cash book.

The Executive Health Officer's reply to the audit note is awaited.

Office of the Assistant Health Officer C & D Wards :—Cash in hand was short by Rs. 9-13-0 for which no explanation could be had from the person concerned for a while after some time he produced a ten rupee note stating that it belonged to the Imprest Cash. The matter was reported to the Commissioner who after obtaining explanation ordered that imprest accounts of various ward offices and other offices under the control of the Health Department should occasionally be checked by the officers concerned by surprise visits.

M.C.A./3471/V
27-9-1943.

Head Supervisor's Office :—The cash balance was not properly drawn out in the cash book due to following reasons :—

M.C.A./3508/V
16-3-1943.

(1) A sum of Rs. 13 advanced to the Supervisor, D Ward, for purchase of articles was not taken on petty cash book.

(2) Amount of a bill recouped from the Chief Accountant in the month of December 1942 was taken on the recovery side in the account of November 1942.

(3) Two rupees on account of the refund of railway deposits in respect of season tickets not renewed on expiry of the period were not found credited in the account.

(4) Cost of stamps affixed to some receipted bills sent in advance to parties was not taken on the account. Explanation of the Department is awaited.

Superintendent of Vaccinations' Office :—Some 51 vouchers were found booked before payment out of which even the recoupment was made from the Chief Accountant in respect of 4 vouchers. The Commissioner has issued necessary instructions to discontinue this objectionable practice of taking the vouchers on the books before payment.

M.C.A./3502/V
12-3-1943.

City Engineer's Works Branch :—No postage registers were maintained in any of the Ward Offices and necessary sanctions were not obtained for such expenses. The Ward Offices have been instructed to do the needful in this connection.

M.C.A./3214/V
12-11-1942.

Office of the Assistant Health Officer F and G Wards :—In the contingent register vouchers were booked according to the dates of preparation and not as per dates of payment. In two cases railway fares were paid in excess of the correct charge ; and deposit of a season ticket was not entered in the register. Executive Health Officer's reply in the matter is awaited.

M.C.A./3497/V
7-3-1943.

As mentioned in my previous audit report a reference was made in respect of a sum of Rs. 14 paid out of imprest account of the Welfare Organiser for repairs to a gramophone instead of sending such bills for payment through the Chief Accountant. No reply has been received.

M.C.A./2349/I
27-10-1941.

Two sums of Rs. 15 and Rs. 41-7-0 were found paid by the Hydraulic Engineer out of his imprest account for which there were not balances in the respective grants. The Hydraulic Engineer explained that in the first case the matter was urgent and the grant was supplemented subsequently. In the second case the amount was correctly debitable to another grant and was adjusted accordingly.

M.C.A./3149/I
13-10-1942.

(*b*) *Assessor and Collector's Department.*

The account is not closed and balanced methodically when the expenditure incurred out of imprest is recouped periodically.

M.C.A./3617/IV
1-5-1943.

The balance of the Assessor and Collector's Office as on 31st March 1943 showed Rs. 36 as deposit for season tickets with the railway. Against this the register of season tickets as written up by the Assessor and Collector's Office showed only 31 passes on that date. It also appeared from the credit vouchers that the amount received back by the Department from the railways for deposits were forwarded to the Chief Accountant and credited to grant under contingencies. This procedure is not correct. The Assessor and Collector and the Chief Accountant have been asked to set right the irregularities. Reply is awaited.

(*c*) *Estate Agent's Department.*

As reported last year some rent collectors were in the habit of delaying submission of gharry hire bills for serving summons on the tenant. Attention of the Department was drawn to this objectionable practice to delay in preferring the bills. Necessary instructions have been issued to the staff.

M.C.A./2403/III
13-11-1941.

(6) *Miscellaneous.*

As can be seen from my previous reports, a statement showing the recoveries of arrears of fines made by Government and paid into the Municipal Treasury and balance, if any, recoverable from Government in respect of the period prior to 1st April 1939 has been called for from the Chief Accountant. The statement is not yet received. It is necessary to settle this matter with Government early.

M.C.A./1117/V
14-5-1940.
M.C.A./1967/I
30-4-1941.

A reference was made to the Chief Accountant as reported last year in respect of certain loans of the ex-Improvement Trust, the theoretical sums of accumulations whereof as on 31st March 1941, together with their future improvement at the sanctioned scales of contribution fell short of the amounts required for the repayment of the loans on maturity. The Chief Accountant submitted for verification during the course of the year. Statement showing the adjustments necessary in the

M.C.A./2238/I
28-8-1941.

theoretical valuations and changes in future contributions etc., for certain loans but the the necessary adjustments in the theoretical valuations have not been effected in the accounts of 1942-43 and therefore the Chief Accountant has been instructed to do the needful early.

M.C.A./2708/I
28-3-1942.

As reported in the last year's audit report the Municipal Clearing Agents for clearing goods from docks were paid a sum of Rs. 130-4-0 by way of crane charges paid by the contractors to the G. I. P. Railway to remove C. I. Pipes from Byculla Goods Shed to Municipal Stores Yard, On an audit query as to whether the work of removal of goods from railways could be carried out by the Municipal Transport Department the Mechanical Engineer explained that it was not possible to do this work for want of skilled labour, implements etc., required for the purpose. Separate quotations were therefore invited for the work of removing goods from Railway Stations and the arrangements have been made to get the work done at cheaper rates.

M.C.A./2912/I
25-6-1942.

The Hydraulic Engineer drawing a monthly conveyance allowance of Rs. 160 for travelling within the sphere of his duties which extend upto Tansa and other water works, was allowed to draw travelling allowance of Rs.379-4-0 for going to Tansa and other places upto Vaitarna and Ulhas. Explanation was therefore called as to how extra conveyance allowance could be allowed to him. The Hydraulic Engineer explained that the conveyance allowance of Rs. 160 per month was meant only for travelling within the city in discharge of his duties. For visits to Tansa generally Municipal conveyance is used beyond Ghatkopar and Bandra and it is a question whether mileage should be paid for visits to Water Works, outside the City limits, where the trolley line runs. In this particular case however, the visits were made to Vaitarna and Ulhas in connection with the Scheme of additional water supply, which are out of the way places and therefore the question was not pressed by Audit.

M.C.A./3028/I
21-8-1942.

The travelling allowance bills of Mr. K. B. Carnac in charge of the Survey Works of Vaitarna Schemes for augmentation of water supply showed that :—

(1) He preferred a bill after a lapse of 2½ months ;

(2) His place of duty was not shifted from Bombay to his place of work say at Tansa where sufficient and suitable accommodation exists and which he was already making use of but instead was allowed to draw travelling allowance from and to Bombay ; and

(3) The trolley line which constitutes means of free conveyance supplied by the Corporation for travelling between Bombay and Tansa was not made use of by him but instead he was paid mileage charges for such travels.

The Hydraulic Engineer explained that :—

(1) The bill was preferred after 2½ months as Mr. Carnac was too busy with important work ;

(2) He was required to attend Head Office for office work, collection of data from old records and for discussing and settling with the Hydraulic Engineer various points in connection with the augmentation work; and

(3) It was not possible for him to use the Municipal conveyance between Bombay and Tansa as the works were situated beyond Tansa *viz.*, Vaitarna and Ulhas basins and as no conveyance would be available at Tansa it was necessary that he had to go to Tansa in a conveyance which could be made use of when required.

The Chief Auditor is, however of opinion that proper economy is not observed in sanctioning the conveyance bills in the circumstances mentioned above.

M.C.A./3253/I
4-12-1942.

It was noticed that the Medical Inspector (Schools) was purchasing spectacles required for school children at a rate of Rs. 2-4-0 per pair from a certain firm whereas the Dean, who requires the spectacles for poor patients, purchased them from some other firm. As the rates paid by the Dean were higher than those paid by the Medical Inspector, a reference was made to the Dean through the Commissioner suggesting that he may enquire into the rates charged by different firms for future requirements. The Dean stated that the approximate annual requirements of spectacles for the poor patients were worked out and quotations were invited on these basis at flat rates. Quotations however, were not invited from the firm from whom the Medical Inspector purchased his requirements as per verbal instructions of the *Ex-* Dean. The Dean has been asked by the Commissioner to invite quotations in future from the firm supplying spectacles to the Inspector of Schools and other opticians as well. He has also issued instructions that reasons for not sending enquiries to any particular firm or company should be recorded in writing.

M.C.A./3386/I
6-1-1943.

A discount of 2½ per cent on total value of goods at scheduled rates was offered by the Stationery Contractors Messrs. Mansukhlal Sukhlal & Co., if the delivery of the whole requirements for 1942-43 were taken in one lot. Indents were placed by certain departments piece meal with the result that no discount was earned. A reference has been made enquiring as to the cause of not indenting the requirements in one lot. Reply is awaited.

MCA/3456/I
25-2-1943

On a surprise check of the gum account at the Election & Town Duty Office on 23rd February 1943, it was found that quantity of 20 gallons of gum received each time on 29th January 1943 and 8th February 1943 was not entered in the Stock Register. Actual count compared with the balance as per the register also revealed shortage of 2 bottles of 16 ozs. The Town Duty Officer explained that the account was kept in terms of bottles and on account of shortage of empty bottles the gum received in tins could not be emptied and shown in the ledger. The shortage of 2 bottles was explained to be due to issues to outside stations for which entries in the ledger are made at the close of the quarter. It may however, be observed that the clerk in charge did not produce the requisitions in support of the issues of the 2 bottles reported to have been made to outside stations.

The Corporation under their Resolution No. 949, dated the 15th January 1943, approved of the work of preparing the Food Rationing Scheme in the City being undertaken by the Municipality as proposed by the Commissioner at the entire cost of the Government of Bombay. For this work a staff of large number of Municipal employees was drafted by the Municipal Commissioner for over a month and a half and was paid their usual salaries and allowances out of the Municipal fund by debiting the usual establishment grants of the different departments in addition to the honorarium paid to them by the Government.

The payment of salaries and allowances to the staff for this period out of the Municipal Fund being not covered by any sanction, the matter was reported to the Standing Committee and the Corporation (*vide* Standing Committee Resolution No. 1851, dated the 24th February 1943.) On this the Commissioner obtained sanction of the Corporation to his having engaged the Municipal staff for rationing work (*vide* Corporation Resolution No. 101 dated the 7th May 1943.)

It may be noted that the staff was engaged solely for the purpose of rationing work on behalf of the Government and their salaries and allowances were debited to the Establishments of the different departments to which the grants were provided by the Corporation in respect of the specific duties and functions imposed on them.

M.C.A. 3185 I
2-11-1942.

The receipts under certain revenue heads for the half-year ending 30th September 1942 were found considerably decreased on comparison with those of the corresponding period of the previous year and those shown in the Budget. The departments being asked to explain the differences gave various reasons for the decrease. Excepting the minor items of a casual nature the disparity between the budgeted receipts and the actuals should not be incapable of being accounted for, if while budgeting care is taken to base the estimates on the actual sources on the books and the figures of the previous years. The degree of accuracy in budgeting may be judged from the following instance :—

Under 10—Buildings, Land Acquisitions etc., D. Miscellaneous, a sum of Rs. 2,33,000 was shown in the revised budget of 1941-42 and the same figure is repeated in the budgets for 1942-43 and 1943-44. Against this the actual sums received were Rs. 2,47,167 in 1941-42 and Rs. 2,05,332 in 1942-43.

The Chief Accountant and the City Engineer were asked to furnish details of the estimated amount of Rs. 2,33,000. The details so furnished include a sum of Rs. 67,800 as receivable from the departments of the Estate Agent, the Hydraulic Engineer and the Assessor and Collector. However, the actual sums received from these departments on this accounts were Rs. 9,389 in 1941-42 and Rs. 8,994 in 1942-43.

Proper explanation for such big difference between the estimates of receipts (which should be prepared with a good degree of approximation) and the actuals should be called for in order to minimise the scope for omission or even organised frauds.

M.C.A./3499/I
10-3-1943.

The accounts of petrol, stores and empties at the Ghatkopar office of the Water Works Department were test examined in February 1943 with the following results :—

(1) The consumption of petrol during 1942-43 (upto 19th February 1943) showed 60 per cent increase over that of the previous year. The Department explained that the consumption included the petrol used on pumps, boats etc. This cannot be taken to account for the increase in view of the fact that the consumption for pumps and boats is a recurring one and not a new item for the year 1942-43 only. The mileage done on the trolley line during 1942-43 recorded an increase of 41 percent, over that of the previous year.

(2) No detailed account of mileage done on the trolley line for Government in carrying out their works could be found but the department explained that according to the notes taken by them the total came to 1895 miles for which recovery at As. 8 per mile was to be effected from Government. The Department has been asked to give the basis on which the cost of annas 8 per mile is worked out.

(3) On actual count the empties for oils etc., did not tally with the Register. The differences were subsequently explained in various ways.

(4) The stock ledger traced to indents showed some discrepancies.

It was suggested that the balances of selected items of stores should be verified by the Departmental Officers at short periods to cover all the items in a year so that the discrepancies may not be left in the accounts. The Department has accordingly issued instructions to the officer and the staff concerned.

Assessment Department.

This is the main revenue earning department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. It may be repeated this year again that since the question of delay occurring in the processes of recoveries was taken up by Audit in the year 1938-39, improvement is noticed in the presentation of bills and serving of demand notices but much delay still occurs in subsequent legal action and arrears are piled up for several years before a case reaches the Court of Law. This long standing practice of delay is a sort of encouragement to the habitual defaulters to adopt a variety of delaying tactics by correspondence or otherwise and to make the suit cases much more complicated due to future insolvencies, changes in owner-ships etc., sometimes involving entire loss of the dues to the Municipality. It is, therefore, advisable to devise means to take swift action in this respect, in order to avoid the tendency to pile up arrears on the part of the defaulting tax-payers.

Instead of allowing unduly long time to run, it is very desirable that a time limit should be set, say three months after the service of notice, after which all the unpaid and unrecovered (after execution of warrants) bills should be transferred immediately for legal action after taking the necessary sanctions. It is not suggested that the Department should run blind-foldedly to Law Courts after the expiry of this period without discretion but taking out the bills from the hands of the bill collectors and putting them into the hands of the Municipal Solicitor and threatening the defaulters with immediate court action by the Municipal Solicitor (the Legal Assistant) will have a salutory effect on those who sit secure at present with an idea that it is very easy to pass

years after years under the present procedure followed by the Municipality. It may even increase some Work of the Legal Assistant's Department in the beginning but the temporary increase in work will be amply compensated by the psychological effect it is likely to make on the rate-payers who do not take serious notice of the Municipal demands.

It will also be seen from some individual instances of under-valuations of properties that came to the notice of Audit as reported hereunder, that there appears to be much scope of improvement in revenue if the valuations of properties in the different parts of the city are subjected to regular test-check by an officer, like Test Audit Officer, having no connection with the Department.

The number of bills, left outstanding in respect of property tax and wheel tax as on 31st March 1943, was 16,074 aggregating to Rs. 30,88,047-2-3 as against 16,584 aggregating to Rs. 29,79,877-14-10 in the previous year. The outstanding of Rs. 30,88,047-2-3 is inclusive of the Urban Immovable Property Taxes amounting to Rs. 7,05,553-0-0.

Filing of Suits.

M.C.A./1836/IV
1-4-1941.

As mentioned in the last audit report the Assessor and Collector was asked to state the number of cases already sanctioned by the Standing Committee for filing suits and the number of cases for which the suits were filed. In reply he stated on 21st April 1941 that out of 33 cases for 1939-40 for which sanction of the Standing Committee was obtained, only two suits had been filed and 31 suits were to be filed. Similarly out of 55 cases sanctioned during 1940-41, not a single suit was filed. In addition there were 27 cases for the years prior to 1939-40 for which also no suits were filed.

It may be observed that generally the question of obtaining Standing Committee's sanction for filing suits is not taken up until the arrears are piled up for some years. During the audit of outstanding bills as on 31st March 1943, about 1,700 bills were found enfaced for part-payment of water and other taxes. On some bills the enfacements of part-payments were more than one. This means that some of the house-owners are in the habit of paying in part in order to delay the legal action to be taken against them by the Municipality until the arrears accumulate for some years. In such cases, even after the Court action is sanctioned by the Standing Committee, it is noticed that suits are not filed for long periods. It is advisable to take proper action in such cases in the earlier stages.

The information called for from the Department for delay in each case has not yet been received although over 2 years have passed. The Department should look into the matter at an early date.

Reconciliation of Books.

M.C.A./3681/IV
27-5-1943.

The Assessor and Collector and the Chief Accountant have been asked to submit a statement of reconciled accounts of revenue as between the books of the two Departments but no such statement is yet received. The matter has also been reported to the Standing Committee (*vide* Standing Committee Resolution No. 1428, dated the 2nd January 1942) but nothing has so far been done by the Departments. In the circumstances it is not possible for the Municipal Chief Auditor to certify the accuracy of the figures of revenue as on the Bill Books of the Assessment Department with those on the Registers of the Chief Accountant.

Outstanding Bills.

Among the bills outstanding as on 31st March 1943, 1,768 bills were found partly paid in respect of Water Tax, etc., as under :—

A	Ward	...	64
B	,,	...	280
C	,,	...	489
D	,,	...	395
E	,,	...	290
F	,,	...	75
G	,,	...	175
	Total	...	1,768

The part-payment of bills seems to be a favourite method with certain rate-payers to prevent any action being taken for cutting of water supply or to induce the Municipality to postpone taking legal steps provided in the Act for recovery of taxes. Such postponements of legal steps are found to result in many cases, in heaping up of the bills from year to year and when Court action is taken after some years, the matters get further complicated by transfer of properties, mortgages, insolvencies, etc. The postponement of legal steps in the initial stages should, therefore, be strictly avoided.

Drawbacks.

M.C.A./3222
16-11-1942.

For the purpose of allowing drawback minimum loss suffered by a property-owner should not be less than 5 per cent. of the rateable value. However, in practice a concession was made by allowing drawback in cases where the loss fell below 5 per cent. by a fraction of a rupee. This was not in conformity with the Drawback Rules. The attention of the Department being called to this, the drawback rules have been amended and brought in conformity with the practice (*vide* Standing Committee Resolution No. 141, dated the 5th May 1943).

M.C.A./3378/IV
30-1-1943.

In certain cases drawbacks were allowed by the Assessor and Collector, although the properties were not transferred in the Assessment Books in the names of the heirs of the deceased owners, without the necessary sanctions of the Commissioner as required by drawback rules. Attention of the Assessor and Collector being called to this, he explained that the time limit for the purpose of transfer of the property in the Assessment Books was one year from the date of

M.C.A. 3220
13-11-1942.

the death of the owner under Section 149(2) of the Act whereas the drawback rule required that for the purpose of getting drawback, an owner should apply for transfer at least within one month from the date of the issue of the declaration form for drawback and therefore, in his opinion, the provisions of the Act and the Drawback Rules were in conflict and that the provisions of the Act, which allowed one year's time after death, prevailed over the drawback rule and no sanction of the Commissioner was necessary for allowing the drawbacks.

The question being referred to the Legal Assistant, he opined that there was nothing like conflict in the provisions of the Act and the Rules. Acccordingly the Commissioner instructed the Assessor and Collector to obtain his sanctions in such cases in future.

It may be remarked that the drawback rules are in force for the last several years and the Assessor should have submitted his view-point to the Commissioner before deciding himself to dispense with the sanctions required by the Drawback Rules.

M.C.A. 3433
16-2-1943.

In a case of drawback the Ward Superintendent reported that no identification numbers were fixed on certain rooms stated as vacant by the land-lord and therefore he wanted to examine the account books for verification of the loss suffered by the land-lord. It, however, appears from the papers that the Assistant Assessor got the vacancies verified without account books and certified the drawback. To an audit query in this connection the Assessor replied that verification of drawback vacancies on site involved much time and labour and a tendency was often, therefore, noticed among the ward staff to save this toil and trouble by calling upon the parties to produce account books and in this particular case when the staff was ordered to verify the vacancies without account books, they, after collecting the information from the rent collectors and tenants, admitted the claim.

It may be remarked that in such cases as the information obtained by the staff is several months old and it cannot be relied upon it should be supplemented and supported by account books.

Besides as explained by the Assessor and Collector, if there is a tendency among the staff of avoiding trouble and toil of inspections and enquiries necessary for the purpose of valuations, drawbacks and refunds, it is harmful to the interest of the Corporation and it is, therefore, suggested that proper test-checks over their works by the Assistant Assessors should be instituted and in case defects are noticed, proper punishment should be accorded.

Refunds.

M.C.A./2824
14-5-1942.
&
M.C.A. 3326
8-1-1943.

Cases of terrace rooms which were not self contained blocks with independent privy accommodation were noticed to have been admitted for refunds. In one case the refund was got recovered., As a result of audit objection the Deputy Municipal Commissioner has instructed the Department to discontinue allowance of refunds in such cases.

M.C.A./2454
1-12-1941.

Two cases of open lands attached to factories and used as gardens and lawns forming additional amenities to the factories were found admitted for refund of general tax by the Assessor and Collector. The Assessor argued that they were excess lands which could be separately built upon and therefore were treated as vacant for giving refunds. As a result of audit objection the Commissioner has passed orders that such open plots which furnish additional amenities should not be treated as vacant for allowing refunds in future.

M.C.A./2733
8-4-1942.
M.C.A. 2772
25-4-1942.
&
M.C.A. 3258
7-12-1942.

A number of refund cases was noticed to have been passed for the subsequent half-year before disposing of the cases for the previous half in connection with the same properties. The Municipal Commissioner's attention was drawn to this and the needful was got done.

Valuations.

M.C.A.2571
30-1-1942.

As reported last year, certain temporary structures and sheds were noticed to have escaped taxation for years. For bringing the properties on the assessment book, the check of the Assessment Department is supplemented by information required to be given by the City Engineer in respect of new structures erected in the City. The City Engineer's attention being called to the omission of such structures from the assessment books he stated that it was not the practice of his department to inform the Assessor and Collector about the constructions of such structures as they generally disappear within a short space of time and that where there were old sheds of temporary character, no action could be taken by the department as it was not possible to ascertain who originally erected them. The Deputy Municipal Commissioner has, however, passed orders that the City Engineer should regularly send to the Assessor and Collector a list of such temporary sheds as soon as their erection or completion come to the notice of the Department.

To minimise such omissions proper vigilance is needed both on the part of the Assessor and Collector's and the City Engineer's staff whose duty it is to trace out the unauthorised structures for necessary action.

The valuation of the property bearing D Ward No. 1236 (1-2) was revised at Rs. 3,655 on the basis
M.C.A./3470 of the rents as follows:—

27-2-1943.

			Rs.
Ground	Floor	...	125
1st	,,	...	99
2nd	,,	...	90
3rd	,,	...	35

The City Engineer has been asked to state the area of each floor as per the plan approved by his Department.

Reply is awaited.

In two cases of open plots, valuations were found revised at a stretch from Rs. 4 and Rs. 65 to Rs. 750
M.C.A./3053 and Rs. 975. This suggests necessity for proper examination of valuations of vacant lands.

31-8-1942.

A property was repaired during 1941-42 at a cost of about Rs. 5,000 and the rent was increased by
M.C.A./3412 Rs. 105 per month during the year for change of user. However, the Department did
10-2-1943. not bring this increase in valuation on account of increase in rent for change of user for about four months or so of 1941-42. The explanation given by the Department that the repairs were not substantial etc., for not bringing the valuation on rise during the currency of the year is not convincing. It is suggested to the Commissioner that in such cases proper reports should be made and orders obtained if the Department does not think justifiable to bring the valuation on rise during the year for increased rent due to change of user.

The Municipal land bearing G Ward No. 5155(3) stood assessed at Rs. 1,150 in the Register of the
M.C.A./3213 Assessment Department. This land was sub-divided and leased out to 28 tenants who
12-11-1942. erected sheds in the year 1934. However, the valuation of the plot remained the same upto 1942-43 when it was revised to Rs 2,510. Under the circumstances the Municipality suffered a recurring loss of taxes on Rs. 1,360 for a period of about 8 years.

In the course of audit, the rateable values of certain premises were found abnormally increased from
M.C.A./2573 1st April 1942 on the ground that portions of premises were being used for hotels. On
2-2-1942. enquiry from the Licence Department, it was learnt that the licenses for hotels were issued for different portions on different dates between the year 1929-30 and 1941-42. The increase in the valuations should have been effected from the years in which the licences were issued for hotels. However, it appears from the correspondence that the valuations were adequate upto 1932-33 but were reduced in 1933-34. In the year 1935-36 proposals for increase were made by the Deputy Superintendent for rise in rents but the Solicitors on behalf of the owner of the properties complained against the Deputy Superintendent saying that he disbelieved the rents stated by the tenants and the rent receipts passed by the land-lords and had threatened the tenants to tell the correct rents on pain of action. This complaint coupled with the reports of Departmental Offcers describing the revised valuations submitted by the Deputy Sueperintendent as "Wild Estimates" brought him into trouble and he was ultimately reprimanded and transferred to another sphere of work by the then Assessor and Collector.

In view of this episode, no attempt seems to have been made by the ward staff to increase the valuation till the year 1938-39 when the owners were again successful in keeping down the valuations. Thereafter in the year 1941-42 proposals for revising the values from Rs. 23,645 to Rs. 42,110 were again made by the staff and were adopted with effect from 1-4-1942.

Thus the properties remained under-valued for about 9 years and the annual loss suffered by the Municipality in taxes works out to about Rs. 3,369.

The matter was reported to the Standing Committee under No. M.C.A. 3348/IV, dated the 20th January 1943 (*vide* Standing Committee Resolution No. 1696, dated the 28th January 1943).

Valuations of open plots by the side of and belonging to an Ice Factory and Convent Girls School were
M.C.A./2895 found cancelled in the Assessment Books on the ground that they merely formed amenity
19-6-1942. to the Ice Factory and the School. The Assessor and Collector was, therefore, asked whether the valuations of the Ice Factory and the Convent School were revised adequately in view of the additional amenities provided to the buildings by the plots for which the vauations were cancelled. As a result of the correspondence he has revised the valuation of the Ice Factoy from Rs. 1,270 to Rs. 2,890 and of the Convent School from Rs. 4,050 to Rs. 5,600 and explained that the prooperties required the revision intrinsically and not on account of the amenities provided by the open plots.

It may be observed that when the valuations of the open plots were cancelled, the offcer concerned must have or rather ought to have gone into the questions of additional amenities provided by the open plots to the buildings and their intrinsic valuations and should have brought forward a proposal for revision simultaneously.

Moreover, the difference in the revised and the old valuations is so great that it would not have occurred in a year and it is surprising to note that the system, which provides for annual inspections of buildings by the ward staff for valuation purposes and for test checks to be carried out over the work of the lower staff by the Ward Superintendents and the Assistant Assessors upto certain percentages, affords to leave out such revisions for years and even at a time when the valuations of the open plots connected to the buildings were cancelled.

It came to the notice of Audit that the valuation of the Dadar Private Market was fixed at Rs. 8,725
M.C.A./2306 (Rs. 1,700 for residential quarters and shop and Rs. 7,025 for the market place) and the
4-10-1941. Assessor and Collector used to recover water tax on the whole value of Rs. 8,725 which includes Rs. 7,025 for the market place. Thus the supply to the market place was not

charged on meter measurement as required by clause 5 of Rule No. 1(a) of the Water Charges Rules for 1940-41. Attention of the Department being called to this, meter was fixed on 7-9-1942 since when the supply is charged on the meter measurement. The loss suffered for this omission on account of the difference between the half-yearly charges by meter measurement and the tax on value for the market place works out to nearly Rs. 130 per year and Rs. 325 for the 2½ years during which the supply was running without a meter. The responsibilities of the Departments of the Assessor and Collector and the Hydraulic Engineer in such matters require to be definitely fixed for such omissions which involve annual loss of revenue.

Water By Meter Measurement.

M.C.A. 3209 IV
7-11-1942.

Water by meter in respect of the property bearing D Ward No. 3312 was charged for the half-year from 1-4-1941 to 30-9-1941 at the rate of As. 10 per 1,000 gallons as against the rate of As. 14 charged upto 31-3-1941. The Hydraulic Engineer's reply to audit query is awaited.

M.C.A. 3381
1-2-1943.

The property bearing D Ward No. 3214(2) comprising of a bungalow and a garden were charged for consumption of water at the rate of As. 10 per 1,000 gallons instead of As. 12 per 1,000 gallons. The Hydraulic Engineer explained that it was an oversight and that he had advised the Assessor and Collector to issue supplimentary bill for the difference.

M.C.A. 3114
24-9-1942.
M.C.A. 3124
29-9-1942.
M.C.A. 3183
31-10-1942.
M.C.A. 3375
30-1-1943.
M.C.A./3159
15-10-1942.
M.C.A./3207
7-11-1942.
M.C.A./3210
7-11-1942.
M.C.A. 3182
31-10-1942.

Where meters are fixed for the first time during the year, the recovery of meter hire for the first broken period of the year is made by the Water Works Department. It is observed that the notes of such recoveries in the meter reading register are neglected by the Department. About 88 cases of such omissions were brought to the notice of the Department. This suggest looseness in watching the recoveries. The Department has been advised to avoid this kind of irregularities in maintaining the registers, the main purpose of which is to record all dues and their recoveries and arrears, if any.

M.C.A. 2915
27-11-1942.

Five properties in C Ward consisting partly or wholly of Goshalas were charged compounded water tax. Similarly two properties used as Servant's quarters, grinding room and godown were charged compounded water tax. There is no provision for their exemption from the water tax on value in Appendix A of the Water Charges Rules framed by the Standing Committee. The Assessor and Collector has, therefore, been asked to explain how these properties were exempted from water tax on value.

Reply is awaited.

Miscellaneous.

M.C.A. 3246
2-12-1942
M.C.A 3292
21-12-1942.
M.C.A 3255
4-12-1942.
M.C.A. 3246
2-12-1942.
M.C.A 3196
6-11-1942.
M.C.A 3254
4-12-1942.

On visits to various Ward Offices during the year the check ledgers of bills with Ward Office and the Ward Inspectors were found incompletely written up and unbalanced. The Assessor and Collector's attention being called to this he has passed necessary instructions to the Ward Staff.

Wheel Tax.

During the year nearly 1,651 cases were noticed and reported by Audit in the course of test-checking 25 per cent. of the entries in the wheel tax registers, for which no bills were issued by the Department for tax on vehicles, animals, etc. Out of these, replies for 914 cases have since been received from the Assessor to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City or their being under repairs, etc. 737 cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

It is observed that the Assessment Department does not take proper notes in the registers whenever the vehicles are transferred from one place to another and as a result no certainty is felt whether a prarticular vehicle (against which no remark of bill appears) is taxed or not. The Department has been written to several times to avoid these omissions in the registers and the Assesor and Collector has instructed the staff but the omissions still continue to occur in a number of cases.

Under the Act of 1942, the tax on vehicles and animals is leviable in advance at the commencement of each quarter and accordingly for every vehicle appearing in the register a bill should be issued in advance subject to refund of tax or cancellation of the bill, if the vehicle is subsequently found not chargeable. However, in view of the large number of vehicles appearing untaxed for in the registers this procedure does not appear to have been strictly followed.

In the following cases, recoveries were got effected for omissions, under-charge of excess refunds.

Serial No.	Ward.	Case No. and Date.	Particulars.	Difference recovered.
				Rs. a. p.
1	A	MCA/3013 of 13-8-1942	...Wheel tax bill No. 3212, 13469 preferred short ...	5 0 0
2	E	MCA/1202 of 28-6-1940	...Undercharge in respect of concern No. W/635 under schedule No. 405 for the quarters previous to the quarter ended 31-3-1940 ...	70 0 0
3	D	MCA/2490/ of 13-12-1941	...Undercharge in respect of concern No. BMT/4299. ...	75 0 0
4	D	MCA/1892 of 7-4-1941	...Undercharge in respect of concern No. BMW/8484 ...	3 5 0
5	G	MCA/3270 of 12-12-1942	...Undercharge in respect of concern No. DLA/7932 ...	10 0 0
6	D	MCA/3060 of 1-9-1942	...Short recovery of water tax in respect of the property bearing D Ward No. 3732(1) ...	3 0 0
7	B	MCA/3326 of 8-1-1943	...Excess refund in respect of the property bearing B Ward No. 1639 ...	1 4 0
8	D	MCA/3381 of 1-2-1943	...Undercharge for consumption of water in respect of the property bearing D Ward No. 3214(2) ...	33 8 0
9	B	MCA/1320 of 15-8-1940	...Undercharge in respect of concern No. W/6145 under Schedule No. 19 ...	15 0 0

The following cases of omissions under charge or excess refunds were noticed and reported for which no replies have so far been received.

				Rs. a. p.
1	B	MCA/1818 of 1-2-1940	...Undercharge in respect of concern No. BMT/5197 under Schedule No. 268 ...	10 0 0
2	B	MCA/1320 of 7-12-1942	...Undercharge in respect of Motor Lorry No. Y/4995 under Schedule No. 78 ...	20 0 0
3	G	MCA/3271 of 12-12-1942	...Undercharge in respect of motor lorry No. BMT/4375 under schedule No. 21 of 1941-42 and 18 of 1942-43	10 0 0
4	G	MCA/3396 of 4-2-1943	...Undercharge in respect of motor lorry No. BMT/2412 under Schedule No. 531 ...	25 0 0
5	F	MCA/3434 of 16-2-1943	...Undercharge in respect of concern No. BMX/3305 ...	15 0 0
6	B	MCA/3447 of 22-2-1943	...Undercharge in respect of 4-4 wheeled trailors to concern No. BMT/3195 ...	30 0 0
7	D	MCA/978 of 5-4-1940	...Undercharge in respect of car No. T/5296 under Schedule No. 2094 ...	10 0 0
8	A	MCA/1587 of 21-12-1940	...Undercharge under entry No. 390 at page 13 of the Meter Reading Register for the year 1939-40 ...	0 6 0
9	B	MCA/1656 of 7-2-1941	...Undercharge in respect of concern No. 605 under schedule No. 412 for the quarters previous to the quarter ended 30-9-1940 ...	5 0 0 (for each quarter)
10	E	MCA/2155 of 24-7-1941	...Water tax in respect of property bearing Ward No. 6480 not charged from 13-5-1941 to 30-9-1941 ...	18 5 0
11	D	MCA/2441 of 27-11-1941	...Undercharge in respect of concern No. BMW/7676 under Schedule No. 2332 ...	5 0 0 (for each quarter).

Miscellaneous Departments.

The following departments are in charge of the collection of miscellaneous revenue:—

(1) Municipal Commissioner's Office, (2) Town Duty Refund and Election Office, (3) Central Stores, (4) Legal Assistant's Office, (5) Municipal Secretary's Office, (6) Hydraulic Engineer's Department, (7) Victoria and Albert Museum, (8) Public Health Department including Analyst's Office, (9) Health Department A and B Wards Office, (10) Health Department C & D Wards Office, (11) Health Department E Ward Office, (12) Health Department F and G Wards Office, (13) Malaria Department, (14) Arthur Road and Maratha Hospitals, (15) Office of the Superintendent of Vaccination, (16) K. E. M. Hospital and G. S. M. College, (17) Conservancy Department, (18) City Engineer's Central, Building and Architectural Branches, (19) City Engineer's Works and Maintenance Branches, (20) Mechanical Engineer's Department, (21) Drainage Department, (22) Fire Brigade Office, (23) License including Shops and Establishment Department, (24) Gardens Department and (25) Markets and Slaughter Houses.

Revenue Returns.

As per Commissioner's letter No. M.C.A. 765 dated the 27th January 1939, underlying Standing Committee Resolution No. 1534, dated the 10th February 1939, the forms of Revenue Registers of these Departments were revised as from 1st April 1939 for maintaining accounts on the basis of demand, collections and arrears for each source of income and for tallying of these accounts with those maintained in the Chief Accountant's Office.

Though the revised forms were introduced with effect from 1st April 1939 the work of completion of quarterly accounts and submission of revenue returns duly reconciled with the figures on the Chief Accountant's books was slack during the past years. The Commissioner, in his report dated the 12th December 1942, underlying Standing Committee Resolution No. 1510 of 23rd December 1942, stated that the departments found difficulty in the year 1940-41 in reconciling figures of revenue and deposits with the figures of the Chief Accountant's office and that many of the departments had not then understood the importance of submitting these returns. During the year the position over that of the last two years has much improved due to the energetic action taken by the Commissioner in expediting the work.

Attention of the Commissioner was drawn to the non-submission of revenue and deposit returns by the Heads of the Departments for the years 1941-42 and 1942-43 under case No. M.C.A. 3329/V of 9-1-1943 and 15-3-1943 and a report to the Standing Committee was also made in this connection showing the main defects which still continue and which prevent proper and timely submission of returns under No. M.C.A. 3609/V of 29th April 1943 (*vide* Standing Committee Resolution No. 170 of 5th May 1943).

Hereunder is a list showing the offices and the periods upto which the returns are received for audit through the Chief Accountant. Some of these returns have been received late after the close of the year and are under scrutiny :—

Serial No.	Name of the Department.	Period upto which the quarterly revenue returns received.	Period upto which the quarterly deposit returns received.	Remarks.
1	Municipal Commissioner's Office ...	31-12-1942	31-12-1942	
2	Town Duty and Election Office ...	*31-3-1943	31-3-1943*	* Town Duty office returns received upto 31-12-1942.
3	Central Stores	31-12-1942	31-12-1942	
4	Municipal Secretary's Office	31-3-1943	*Nil*	
5	Hydraulic Engineer's Department ...	31-3-1942	31-12-1942	
6	Victoria and Albert Museum ...	31-12-1942	*Nil*	
7	Public Health Department including Analyst's Office	31-12-1942	31-12-1942	
8	A. H. O. A. & B Wards	31-12-1941	31-3-1942	
9	A. H. O. C & D Wards	31-12-1942	31-12-1942	
10	A. H. O. E Ward	31-12-1942	31-12-1942	
11	A. H. O. F & G Wards Office ...	* 31-3-1942	31-3-1942	* Return for the quarter ending 31-12-1941 not yet received.
12	A. H. O. Malaria	31-12-1942	31-3-1943	
13	Superintendent of Vaccination's Office ...	31-3-1943	31-3-1943	
14	Arthur Road Hospital	.....	31-12-1942	
15	Maratha Hospital	31-12-1942	31-12-1942	
16	K. E. M. Hospital	31-12-1941	31-3-1943	
17	G. S. M. College	30-9-1942	30-9-1942	
18	Conservancy Department	31-3-1942	31-12-1942	
19	City Engineer's (Buildings Branch) ...	30-9-1942	31-12-1942	
20	City Engineer's (Works Branch) ...	31-3-1942	31-12-1942	
21	Fire Brigade	31-3-1943	31-3-1943	
22	License Department	31-12-1942	31-12-1942	
23	Gardens Department	31-3-1942	31-3-1943	
24	Markets and Slaughter Houses ...	31-3-1942	31-3-1942	
25	Machanical Engineer	30-9-1942	31-3-1943	
26	Test Audit Officer (Printing) ...	31-3-1943	*Nil*	

It will be seen from the above that the work of rendering accounts by the departments upto 31st March 1943 and of checking and reconciling with the books of the Chief Accountant by his staff has remained incomplete. It may, accordingly, be stated that the figures of revenue receipts under departments published in the Appendix No. 3 of the Annual Report of the Chief Accountant, are not reconciled with those appearing in the books of the other departments, whose returns upto 31st March 1943 have not been received.

Departmental Registers.

Inspection of the Departmental Registers at the time of writing the report showed incomplete character of writing, balancing and checking of books upto 31st March 1943. In some cases the books were not balanced and attested as a token of their virtual completion. In some departments the demand registers were not completely checked by the staff of the Chief Accountant.

Income and Deposit Registers of the Chief Accountant's Office.

Several heads of account of rents and other miscellaneous revenue, opened under different service heads, contain mixed figures of collections received through different departments or different branches of a department. Due to this, the figures furnished by the Departments in their revenue returns under such items could be re-conciled with great difficulty by picking out items relating to a particular department. Similar is the case in respect of old balances prior to 1st April 1941 in the deposit registers where they have not been classified according to the departments and their branches.

The Chief Accountant while forwarding a revenue return of the City Engineer's Works Branch stated that the figures shown in the returns could not be verified with those appearing in his books as separate accounts were not maintained in his office for different departments. Moreover, for want of proper co-ordination and tallying of figures with those of the departments, several mispostings and wrong allocations in the Chief Accountant's books remained uncorrected or unadjusted.

Delay in replies to audit notes.

As laid down in Schedule EE of the Municipal Act, and paragraph 9 of the Municipal Audit Procedure Rules, sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, every query or observation made by Audit has to be promptly disposed of by the Officers concerned, but replies to only 25 audit notes out of the 43 outstanding references of the previous years have so far been received, and out of 141 audit notes issued during 1942-43 replies to 107 notes have been received leaving 52 notes outstanding. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

Irregularities and omissions noticed in some of the quarterly returns were duly pointed out to the Departments and got rectified. Some typical instances of errors and omissions are given below :—

Controller of Stores.

M.C.A./3189/V
4-11-1942.

Profit and supervision charges on sale of stores to private parties are credited to Deposit Account pending final adjustment. These deposits were not shown in the departmental deposit register and consequently they were not shown in the deposit returns. As a result of audit note, the Controller of Stores has agreed to maintain these accounts as from 1st April 1943.

M.C.A./3187/V
2-11-1942.

In the miscellaneous receipts register no account was maintained in respect of unclaimed dues and deposits credited to Revenue. Even on the Chief Accountant's book the receipts of different departments under this head were found mixed up. This was pointed out and needful was got done in the matter.

M.C.A./3363/V
28-1-1943.
16-3-1943
15-4-1943.

It may be recalled that a head clerk of the K. E. M. Hospital who occupied rent free quarters which he could not vacate for 22 days on his transfer to another department was charged standard rent and electric installation charges aggregating Rs. 29 on refusal of the Standing Committee to waive the same as proposed by the Commissioner (*vide* Resolution No.1960, dated the 17th March 1943).

As against this in another case of the Controller of Stores who could not vacate the quarters from 1st April 1942 to 3rd May 1942 on his transfer to another post, was charged rent equivalent to 5 per cent. of his salary as Controller of Stores *plus* electric installation charges for 1 month and 3 days amounting to Rs. 33-10-0 only. It may also be noted that as the Controller of Stores failed to vacate the quarters on the last day of the calendar month *i.e.*, 30th April 1942 the incoming Controller of Stores could not occupy them during the month as he stood to suffer a loss of one month's rent in respect of his private accommodation. The area of the living rooms and servants' quarters of the Controller of Stores is 1,868 square feet. To an audit reference in this connection the Chief Accountant replied through the Commissioner that as the quarters were not occupied by the person in the capacity as Controller of Stores or an officer for whom the Municipal quarters are provided, the question of standard rent did not arise.

Town Duty and Election Department.

M.C.A./2833/V
16-5-1942.

One Mr. Badrinarayan Jethmal imported 648 tins of molasses in the year 1938 and a claim suit was filed against him for recovery of town duties amounting to Rs. 166-6-0 in respect thereof. Although a decree was obtained on 14th April 1941 and subsequently executed, no demand was created in this respect in the demand register of the Department. The decretal amount which was received under deposit also remained unadjused. In reply to audit query, the Town Duty Officer explained that it was not thought necessary to take entry in the demand register, as an entry in the deposit register was already taken. The Chief Accountant, however, issued instructions that as soon as a demand accrued it must be entered in the demand register. Accordingly the item was taken on the demand register, and the amount lying in the deposit was adjusted in June 1942.

Legal Assistant's Department.

The registers of demand, collections and outstandings in respect of the Legal Assistant's professional cost, court fees, etc., are found incorrectly written up, posted and unbalanced since the inception of that Department. The figures of recoveries are also not reconciled with the amounts shown on the Chief Accountant's books. The necessity of putting these registers on a proper working basis has been persistantly pressed on the Commissioner and the Departments of the Chief Accountant and the Legal Assistant since the year 1938-39, as can be seen from the previous audit reports. Nothing material has, however, been done in the matter of reconciling and correctly bringing out the outstanding balances in the registers.

Summaries of the following notes sent to the Commissioner during the year give clear exposition of the state of affairs.

In the case of a suit filed for damage to a Municipal gas lamp at Marine Drive, recovery of the decretal amount was not properly allocated as between Revenue (Professional Cost) and Expenditure (out of pocket expenses) by the City Engineer's Office. Although a refund was given to the party for excess recovery of decretal amount no note was taken in the City Engineer's register. The demand in respect of decretal cost in the Legal Assistant's book was incorrectly entered and shown as outstanding for want of intimation of recovery from the City Engineer's Department. Needful was got done in the matter.

M.C.A./2879/V
12-6-1942.

The register of damage to Municipal Street lamps maintained in the City Engineer's Office was test-checked with the demand register of the Legal Assistant's Office for suits filed by the department. It was noticed that (1) no co-ordination existed between the Legal Asistant's Department and other executive departments in the matter of sending intimations, or papers for noting in the demand registers in respect of decretal amounts of Court fees, professional cost and their recoveries and write off; (2) recoveries of professional costs and court fees were not correctly allocated to Revenue and Expenditure respectively in some cases; (3) the demand and recovery of professional cost and court fees were mixed up in the Legal Assistant's registers; (4) in a number of cases decrees appeared to have been left unexecuted. Variations, omissions, etc. in 17 cases were reported to the Commissioner and needful was done in the matter. The Commissioner has however, been requested to call upon the Chief Accountant to regularise the other defects and to effect early reconciliation and agreement of Legal Assistant's Accounts with those of his office. Reply is awaited.

M.C.A./2888/V
17-6-1942
13-4-1943.

M.C.A./3323/V
7-1-1943.

Checking of account books of the department showed that:—

(1) no receipts were prepared for recoveries effected from Small Causes Court in respect of half cost of settled suits.
(2) in some cases demands were either not shown or incorrectly shown in their respective quarters in the registers,
(3) in several cases demands were not created in the registers and in consequence recoveries either in cash or by adjustments were not posted,
(4) a demand was shown twice on different pages,
(5) several bills though settled and adjusted since the year 1937 and onwards were shown outstanding in the registers,
(6) most of the items of demand and recoveries in the registers were not attested. The registers were also not completely checked by the staff of the Chief Accountant, and
(7) Several mispostings in respect of the Legal Assistant's professional cost were also noticed in the Chief Accountant's book.

Reply is awaited.

Recovery of legal charges in a suit filed against one Mr. Badrinarayan Jethmal for Town Duty dues was found wholly credited to the Expenditure Grant although it included the Legal Assistant's professional cost, creditable to Revenue. There was also no posting of demand and recovery in the demand register for want of intimation from Town Duty Office and the Chief Accountant.

M.C.A./3038/V
21-8-1942

Needful was done in the matter after the issue of audit note.

Hydraulic Engineer's Department.

It was mentioned in the last audit report that demand of meter hire was recorded in the demand register partly from bills issued and partly from the recoveries made in advance without issue of bills, and that there was no safeguard against any possible omission of demand in absence of a procedure of issuing bills in all cases on fixation of meters and of writing the demand therefrom in the register. The Department has since adopted audit suggestions *viz.*, (1) to issue bills in all cases on fixation of meters; (2) to make entries of demand from the duplicates of these bills and (3) to receive meter hire under deposit if paid in advance and to adjust the same on issue of bills.

M.C.A.2173 V
30-7-1941.

In the last audit report it was mentioned that in 117 cases extra water charge bills were not preferred although notices were issued or applications were received from the parties for use of water for building purposes since the year 1937-38. During the year under review the Hydraulic Engineer stated that the extra water charge in respect of these items was framed and recovered except in some cases where construction works were not started or were stopped for the present or where the buildings were not completed and that necessary notes have since been taken in the building notice register.

M.C.A. 2181 V
2-8-1941.

Extra water charge bills were found preferred without showing full particulars on which the charges were based and in one case as per the particulars noted in the Demand Register the charge varied with the amount shown in the bill. In reply to audit query, the Hydraulic Engineer explained that the practice of giving full details in the bills was discontinued as it was thought unnecessary to supply to the parties the information regarding details of measurements or valuation of the work carried out, but he agreed to give full particulars in the duplicate copies of the bills to enable Audit to check the bills.

M.C.A. 2740 V
10-4-1942.

It was mentioned in the last report that the demand and deposit registers for the year 1940-41 were incomplete and that the rent demand register in respect of staff-quarters and chawls in charge of the Department was not found written even after the expiry of the 1st quarter of 1941-42. However, during the year under review the Hydraulic Engineer reported that the various demand registers and deposit registers were completed and brought upto date.

M.C.A./2172/V
30-7-1941.

Examination of the rent register of Municipal quarters and chawls for the year 1941-42 showed that—

M.C.A./2802/V
7-5-1942.

(1) instead of taking all the quarters and tenaments in charge of the Department only those quarters occupied by the staff were brought on book,
(2) no mention was made in cases where only electric installation charges were recovered whether the quarters were allowed rent-free,
(3) sanctions were not noted,
(4) electric installation charges were included in rent of staff quarters and chawls and in two cases the electric installation charges were not recovered from two inspectors although they were occupying quarters, and
(5) rent register was not checked by the internal audit staff of the Chief Accountant's office.

Reply is still awaited.

It was noticed from the outstanding water charges bills that in some cases the period covered by non-payment thereof was one year or more and yet no demand notices were served on the parties. It has been suggested to the Commissioner that the procedure as followed by the Assessment Department for recovery of taxes should be adopted by the Hydraulic Engineer for the recovery of water charges. Reply is awaited.

M.C.A./2937/V
9-7-1942 & 16-4-1943.

The departmental practice was to issue demand notices on loose papers. However, as suggested by Audit a properly bound and consecutively numbered demand notice book has since been introduced.

One extra water charge bill was found preferred for Rs. 43 against the correct amount of Rs. 63 as per details shown in the Bill. The Hydraulic Engineer has been requested to recover the balance due from the party.

M.C.A./3317/V
6-1-1943.

Health Department.

Proper accounts of receipts and disposal of empty kerosene tins were not maintained in the various offices and maternity homes of the department upto 1st October 1941 since then registers have been opened for such empties.

M.C.A./2852/V
28-5-1942.

In the Assistant Health Officer's (A and B Wards) Office it was noticed that (1) besides wrong postings, there were a number of omissions in postings of recoveries and postings without voucher numbers etc., (2) monthly totals were either not taken or left in pencil in all the registers, including the main cash book, and the books were not attested monthly by the officer-in-charge of the Wards; and (3) there was unusual delay in issuing servant passes after the recovery of fees. As a result of audit note to the Executive Health Officer, the registers were completed. It was also explained by the Department that owing to inadequate strength of the clerical staff, the books were not completed and the issuing of servant passes was delayed.

M.C.A./2919/V
29-6-1942.

The revenue returns of the Assistant Health Office, F and G Wards Office, for the two quarters ending 30th September 1941 were returned as (1) the figures of demand and collections in the returns in two cases were different from those appearing in the demand registers; (2) a milk licence though issued in 1938-39 the fee for which was received in deposit, was not taken on demand register till the date of adjustment of deposit on 5th July 1941; and (3) proper reconciliation of the departmental figures with those of the Chief Accountant was not done. Needful was done later after the audit note was issued.

M.C.A./3224/V
17-11-1942.

Examination of the revenue returns of Health Department (Head Office) received during the year for 1941-42 showed the following irregularities in the account books :—

M.C.A./3155/V
2-10-1942.
&
M.C.A./3234/V
23-11-1942.

(1) Omissions of certain demands from the registers till the recoveries were made.
(2) Demand and recoveries for electric charges recoverable from the employees and amounts received direct in the Chief Accountant's Office from the Trustees of a Deed of Wakf were not recorded in the Demand Register.
(3) Books were not balanced and attested monthly or quarterly by the Executive Health Officer as a token of their virtual completion.
(4) Registers of Municipal Analyst's Office were not checked completely by the internal audit staff of the Chief Accountant.

Replies to these audit notes are still awaited.

In the revenue demand register of Registration Branch several refunds made during the year under report out of the recoveries of the previous year, were posted in the demand register of the previous year. This inidcates total ignorance of the procedure of keeping registers of demand, collections and arrears by the staff concerned. The needful was got done.

M.C.A./2903/V
24-6-1942.

Vaccination Department.

M.C.A./3364/V 28-1-1943 & 19-2-1943.

For vaccinating Haj Pilgrims in the year 1941-42 a sum of Rs. 883-4-0 was recovered from the Commissioner of Police which included an amount of Rs. 47-13-0 for supervision charges worked on the basis of Rs. 50 per month. In reply to audit query as to why the supervision charges were not recovered at the reciprocal rate of 15 per cent the Superintendent of Vaccination stated that the vaccination of Haj Pilgrims was done at Government cost from the year 1923 and since then the supervision charges based on Rs. 50 per month were being recovered irrespective of the amount of expenditure. The Executive Health Officer and the Chief Accountant could not explain the way in which the rate of Rs. 50 per month came to be adopted against the usual charge of 15 per cent. However, the Commissioner after the audit note, has passed orders to charge supervision at the rate of 15 per cent in the next bill.

M.C.A./2835/V 18-5-1942.

The quarterly revenue returns of the department for the year 1940-41 had to be returned as (1) moieties paid to employees from Revenue were not accounted for in the demand register as well as in the returns and (2) no demand register was maintained in respect of staff quarters and chawls, while the figures given in the returns were made out from the statements of rent recoveries effected through paysheets. As a result of audit reference moieties paid to staff were noted in the register and the rent demand registers were opened as from 1st April 1941.

K. E. M. Hospital.

M.C.A./3553/V 31-3-1943.

The prescribed procedure for sending bad and doubtful coins to the Chief Accountant along with the collections of the day by the Department was not followed by the Dean of the K. E. M. Hospital in respect of bad coins found in the Poor Boxes of the Wards. He used to send all such coins to the Reserve Bank at intervals and effected necessary adjustments for the difference between the amount of the coins and the actual realisations on sale of the cut coins in the Hospital books direct. The Commissioner has passed orders that in future the Department should send all bad and doubtful coins with a memo to the Chief Accountant, who should cut bad coins and return the cut coins to the Department for disposal. The intrinsic value when realized on disposal of these coins should be credited to the Poor Box Charity Fund.

M.C.A./3377/V 30-1-1943.

For issue of a duplicate copy of a mess deposit receipt only rupees two were reocvered from a Doctor against the scheduled fee of Rupees three. Recovery of Re. 1 was effected from the party on 3rd May 1943 on Audit reference.

N.C.A./3153/V 15-10-1942.

The stock of Engineering Stores of K. E. M. Hospital was not found periodically test-checked by the Officer-in-charge who signed indents. On inquiry it was learnt that in the dispensary, the drugs and chemicals were not in charge of one compounder on whom the responsbility could be fixed for shortage or waste, and the stock account of injections prepared in the Hospital and issued was not maintained. Since the above inquiry by the Audit the Dean has assigned the duty of periodical checking of the Engineering Stores to the Assistant Medical Officer (Junior) and the Chief Dispenser has been made responsible for the main medical stores, supervision of dispensing work and the dispensary; and to exercise control over stores and work of the compounder, holding weekly stores. Besides, account for each kind of injections prepared by the Chief Dispenser has since been opened on separate pages of Stock Ledgers.

G. S. M. College.

M.C.A./3510/V 16-3-1943.

For issue of a duplicate of a receipt only rupee one was recovered from a party against the scheduled fee of rupees three. Reply is awaited.

M.C.A./2970/V 27-7-1942.

Analysis fee recovered from a Company was found credited half to revenue and half to the deposit account of the Analyst, instead of to Revenue, and the procedure of paying moiety to the person concerned from revenue after obtaining necessary sanction was not followed. Replying to audit query the Dean stated that the procedure of crediting the whole fee to revenue and paying the moiety therefrom to the person concerned, would be followed henceforth.

Conservancy Department.

M.C.A./2555/V 19-1-1942. & M.C.A./1768/V 2-10-1941.

It was pointed out in the previous audit report that the rent demand registers of the staff quarters and chawls of the Conservancy Department which were opened as from 1st April 1941 were not brought upto date. Since then there seems to be no further change. The Chief Accountant explained that the Head Supervisor was experiencing considerable difficulty in maintaining these registers and he was trying various methods of his own to set the matters right. Upto, the time of writing this report no account of demand, collections and outstandings has been rendered to audit by the Department and the Chief Accountant; and hence the account has remained unexamined by Audit.

City Engineer's Department (Buildings Branch).

M.C.A./2392/V 11-11-1941.

It was mentioned in the last audit report that the permit fees recovered on 30th April 1941 in respect of two stall-boards at Gaity Building, Hornby Road, were for a period upto 31st March 1941 only, although the projections were reported to have been removed on 30th April 1941. The City Engineer explained that in almost all cases the projections are removed by the parties without previous intimation and it is not possible for the staff to visit numerous projections every day and report the exact date of removal and that the day on which the place is lastly visited by the

staff is generally taken as the date of removal of the projection if the same is not found. The Commissioner has, however, issued instructions that the sub-overseers and inspectors should keep a particular watch over the stall-board and weather-frame projections in the last month upto which the permits are issued and in the month following, and should immediately take such action as may be necessary for recovery of fees or institute Court action for keeping projection without a fresh permit.

M.C.A./2774/V 28-4-1942. & M.C.A./2854/V 29-5-1942.

It may be remarked here that the permit fees for stall-board and weather-frame projections are payable in advance for six months and one year respectively, and hence if the parties fail to pay the fees after due notice they stand to be prosecuted in the Court of Law for the offence committed under the Municipal Act. On prosecutions the Courts levy fines generally on the basis of the fees payable by the parties and these fines go into the Government Treasury and therefore the practice followed by the City Engineer to allow projections to remain till such time as would be covered by the amounts of fines levied by the Court was objected to by Audit. The Commissioner on the receipt of the audit objection has instructed the City Engineer to recover the permit fee payable from the date of the Magisterial order.

M.C.A./3237/V 24-11-1942 & 6-2-1943.

Under Corporation Resolution No. 112 of 9th May 1938 the right for cultivation of lands at Deonar and Borla villages was granted to one Mr. Arjun Ganda Khumbhar at Rs. 10,000 per annum for 5 years ending 31st March 1943. He erected four sheds but no rent was fixed according to one of the conditions of the lease which stipulated that such monthly rent as shall be fixed by the City Engineer would be recovered from him for lands occupied by building shed or huts erected by him and no demand was created in this behalf in the Demand Register. To an audit query in November 1942 on this omission the City Engineer explained that the idea was to charge a nominal rent and accordingly he fixed Re. 1 per month per shed as nominal rent and effected recovery of Rs. 240 on 16th March 1943, i.e., only a few days before the termination of the lease.

M.C.A./2966/V 25-7-1942 M.C.A./2829/V 15-5-1942. M.C.A./2847/V 25-5-1942. M.C.A./2965/V 24-7-1942. M.C.A./2973/V 29-7-1942. M.C.A./2992/V 5-8-1942.

Various discrepancies were noticed in the receipts passed for stall-board and weather-frame projection fees as regards period, areas, etc., and got rectified.

M.C.A./2771/V 25-4-1942.

A projection at Hospital Avenue in F Ward was shown in the Demand Register as chargeable for weather frame fees from 7th February 1938 without sanction and the amount of demand in respect thereof. The City Engineer being written to in the matter necessary sanction was obtained and the amount of fees was adjusted on 23rd July 1942, from the claim for set-back land of the party.

M.C.A./2853/V 29-5-1942.

Demand in respect of stall-board projection from 1st February 1941 to 30th September 1941 was cancelled in the demand register. Subsequently fees for three months from 1st February 1941 to 30th April 1941 were recovered. The City Engineer explained that the projection was removed in May 1941 and therefore fee due for three months only was recovered from the party on his return from the Hospital where he was confined. If the board was removed in May 1941 there was no necessity to continue the demand in the Demand Register upto the end of September 1942.

M.C.A./2982/V 3-8-1942.

In one case of a weather-frame projection of C Ward, notes of transfer of permit from one party to another as from 1st October 1941, and alteration in the demand for permit fee consequential to the change in the area of projection, were not taken in the demand register. The permit fee recovered on 18th March 1942 in respect thereof was also not posted. The City Engineer, on a reference from Audit, explained that the new shop-keeper removed the old projection and put up a new one for which the Deputy Municipal Commissioner's sanction was obtained on 23rd July 1942, and that necessary notes were taken in the demand register. It may be observed that in a simple case of a transfer of projection the Department took 10 months to obtain sanction and to regularise the demand in the register.

M.C.A./3372/V 30-1-1943.

On 20th September 1941 the Inspector of B Ward reported removal of two stall-board projections at 285, Ibrahim Rahimtoola Road. However, in the demand register the demand was continued to be recorded and was cancelled in one case on 29th October 1942 and in the other on 5th February 1943. In view of such discrepancies it is desirable that pocket ledgers of the stall-boards overseers should be compared by the office periodically with the demand registers.

M.C.A./3239/V 24-11-1942.

Rupee one paid by one Pandit Harinarayan Govind on 12th October 1937 as rent for the land occupied for Maruti Temple at Arthur Road Bridge, was shown outstanding in the deposit register. The City Engineer explained that the papers of the case were destroyed in 1942; that the deity shed was not allowed to be retained; as no sanction was obtained no tenancy was created in the register and that the amount would be credited to Municipal Fund on expiry of six years period as the party is dead and the whereabouts of his relatives were not known.

In the case of weather-frame projections of M. M. Dharmasala in C Ward, permit fees for two years were found recovered on the same day for a projection. In this case although there are separate weather frame projections of varying sizes for different shops, fees are being recovered on the basis of one continuous projection. The City Engineer explained that the projections stood in the name of the house-owner and as such they were treated as one continuous projection according to the usual practice and charged likewise; and that the stall-board overseer could not effect recoveries regularly owing to the disturbed condition of the locality during riot periods of 1940 and 1941. The Commissioner while agreeing with the City Engineer observed that in such cases it may not be fair to recover separate fees for each projection but the consolidated fee should be recovered from the owner and not the tenants, and that if the tenants were required to pay the fee, separate fee should be charged for each projection according to the rules. It may be observed that there is nothing to prevent the owners of buildings to have one long projection for which a consolidated fee can be charged by the Municipality but where they choose to have separate weather-frame projections with gaps between each shop the charge of one consolidated fee appears to be at the cost of Municipal Revenue.

M.C.A. 3041 V
24-8-1942.

New stall-board and weather-frame demand registers were opened from 1st April 1942 and although three quarters of 1942-43 had elapsed the registers were left entirely unchecked by the Chief Accountant's staff which is expected to carry on continuous cent. per cent. checking. The matter being brought to the notice of the Commissioner the Chief Accountant explained that the work of checking the registers has since been taken in hand.

M.C.A./3344/V
19-1-1943.

A weather-frame projection in E Ward West stood in the name of one Mr. Hiraji Kanji since 1936. He applied on 31st January 1941 to transfer the same in the name of Mr. Gangji Meghji who was doing business in the shop then. The transfer was effected nearly ten months after the date of application that is in November 1941, on recovering fee from Mr. Gangji Meghji for the period from 1st September 1940 to 31st August 1941. Since then Gangji Meghji did not pay any further fee and the item was cancelled in the register on a report from the inspector, dated the 19th April 1942 that the projection was removed and the party vacated the shop. In reply to audit query as to why the transfer was effected in November 1941 without recovering complete fee due from him, the City Engineer explained that the party promised to pay further fees but he failed to pay the same, vacated the shop and also removed the projection. The Commissioner, however, ordered that in future no transfer of permits may be allowed unless arrears were received in full.

M.C.A./3036/V
21-8-1942.

An item of stall-board projection of F Ward was continued to be shown in the demand register upto the end of the year 1941-42 even though it was reported on 8th February 1940 by the stall-board inspector that the party removed the projection and the prosecution instituted against the party was withdrawn. The City Engineer explained that the item remained uncancelled through oversight and expressed regret. The persons concerned were warned by the Commissioner to be more careful in future.

M.C.A./3064/V
1-9-1942.

Several receipts for stall-board and weather-frame projection fees of Kika Street in C Ward North, were found passed for subsequent periods leaving out the recoveries of previous periods. Recoveries of weather-frame projections were also found effected in arrears after two years at a time and those for stall-boards after two and half years at a time. It appeared that the street remained almost unvisited by the staff for two years. The City Engineer explained the delay of two years in recovery was due to the riots of 1940 and 1941.

M.C.A./2990/V
5-8-1942.

In several cases of stall-board and weather frame projections of different wards variations were noticed in the areas and names as given in the receipts and those recorded in the demand registers. The City Engineer explained that the shop-keepers were in the habit of changing the size of the projections to meet their requirements without the knowledge of the Municipality and action for removal of extensions or recovery of additional fee was taken, when the fees were recovered and necessary notes were then taken in the demand registers. As regards variation in names he stated that although the fees were recovered from the new occupiers, change in the name was effected in the registers after obtaining the Commissioner's sanction. As suggested by Audit the City Engineer has agreed to insert a clause in the agreement of projections to the effect that no change in the dimension could be made by the parties without previous approval of the Commissioner.

M.C.A./2981/V
3-8-1942.
M.C.A./3012/V
12-8-1942.
M.C.A./3063/V
1-9-1942.
M.C.A./3081/V
9-9-1942.
&
M.C.A./3104/V
17-9-1942.

In many cases permit fees for stall-board and weather frame projections were found outstanding over three months. Lists of such outstanding cases were prepared ward by ward and sent to the department for explanation. The City Engineer explained that in most of the outstanding cases recoveries have since been made and necessary action was taken against the defaulting parties and that some of the items had to be cancelled. From the recoveries noted

M.C.A. 2749 V
15-4-1942.
M.C.A. 2759 V
18-4-1942.
M.C.A. 2773 V
28-4-1942.
M.C.A. 2815 V
11-5-1942. &
23-11-1942.

M.C.A./2855/V, 29-5-1942. & 31-3-1943. & M.C.A./2960/V, 21-7-1942. — against the outstanding cases of the lists it was noticed that in some cases fees were recovered upto date but postings in respect thereof were not made in the demand registers.

M.C.A./3018/V, 14-8-1942. — Stall-board projection at 13, Fancy Market, Morland Road, was reported on 18th January 1941 by the stall-board overseer to have been removed but the demand in respect thereof was continued to be shown in the register for more than a year.

M.C.A./3233/V, 23-11-1942. — Several deposits received in respect of gallery projection fees for Improvement Schemes Account during the period between 1910 and 1929 are shown outstanding in the deposit register of the Department. No demands were found outstanding in the Revenue Demand Register in respect of these gallery projection fee. The Commissioner has been requested to take necessary steps for clearing the deposits. Reply is awaited.

City Engineer's Department (Works Branch).

M.C.A./3131/V, 30-9-1942. — Compensation for the month of September 1941 for a temporary occupation of a portion of foot-path on Mahomedalli Road, received under deposit, was not adjusted to Revenue in that year. In the demand register the occupier was shown running in arrears for the month. This being pointed out to the City Engineer, necessary adjustment was effected in 1942-43. Adjustments of the deposit account in due time by the departments concerned is desirable.

M.C.A./3130/V, 30-9-1942. & 27-1-1943. — Permission to lay mains in the private lane off Dharavi Road was granted under Improvements Committee Resolution No. 656, dated the 16th January 1940 to the B. E. S. & T. Co., Ltd., on a nominal rent of Re. 1 per annum. The necessary deed of license was found not prepared although the Company had paid the requisite amount in December 1939 for the preparation of deed of license and duplicate. The City Engineer in explanation stated that the papers have since been sent to the Legal Assistant for doing the needful in the matter. The work of preparation and execution of necessary agreements etc., requires promptness.

M.C.A./3416/V, 11-2-1943 & 4-6-1943. — For work of carriage entrances carried out by the Municipality at the entire cost of the house-owners, water charges are being recovered from them and in cases where the cost is recoverable from the house-owners in part only no water charges are recovered. It also appears from the correspondence under case No. AE(c)/34/230 of 4th November 1942 that Civil Defence Works such as construction of A. R. P. Walls, etc., which are being carried out through the agency of the Municipality by contracts the cost whereof is borne in whole or in part by Government, no water charges are being recovered in the bills preferred against Government. The Commissioner has been requested to instruct the Department to recover the water charges for all the works carried out by the Municipality on behalf of Government or other private parties.

M.C.A./3096/V, 12-9-1942 & 12-2-1943. — Two demands for ground rent for motor garages of Municipal employees appearing in the registers of 1939-40 were omitted from the registers of 1940-41 and 1941-42 although the recoveries were effected from the employees concerned through pay-sheets. Demand of rent from the Bombay Telephone Company Ltd., for a permission to construct A. R. P. Protection wall was also omitted to be taken on the register since the year 1940-41. No recovery of rent was effected from the Company for two years. As a result of audit action the demands were duly noted and recoveries of rent were effected from the Bombay Telephone Co. Ltd., as from 1st December 1940.

M.C.A./3521/V, 17-3-1943. & 25-6-1943. — The main cash book of the Department was not attested, and it was written up for more than 20 days without completion of the sectional cash book. The supervising officer while signing the remittance slips did not satisfy himself that the account books were completely and properly written up and attested by the Head Clerk of the Section. This being pointed out by Audit, the City Engineer got the cash books completed and explained that the person who attended the work was deputed on Food Rationing Census and another clerk who was assisting him in writing the books, suddenly absented from duty on account of unforeseen circumstances. The writing of cash books has to be done from day to day and cannot be postponed under any circumstances. It was the duty of the immediate supervising officer to get the work done by another man if the persons concerned were not available.

M.C.A./3227/V, 21-11-1942. — Receipts passed to two different parties were found posted against one of them in the annual ground rent register. Periods appearing in several receipts varied with those shown in the Demand registers. Some of the demand registers were not attested monthly by the Head of the Department and quarterly summaries were not prepared in the sectional cash book. Reply to audit reference is awaited.

M.C.A./3231/V, 21-11-1942. — From the quarterly revenue returns for the period ending 30th June 1941, it was noticed that no account of unclaimed dues and deposits was maintained in the departmental books; no account was rendered in respect of "Rent of Buildings and Lands" and the demands shown under Miscellaneous Receipts, Ground Rent and Miscellaneous Fees, were not correctly shown in the quarters in which they became due. As a result of audit reference the City Engineer has instructed his staff to do the needful in future.

Mechanical Engineer's Department.

M.C.A. 2931 V
6-7-1942.

Discrepancies including omissions of demand from the ground rent register were pointed out and the same were rectified. The staff was warned by the City Engineer to be careful in following the correct procedure of writing and balancing of books.

M.C.A. 2277 V
22-9-1941 & 2-7-1942.

Incomplete nature of rent demand register of the chawls at Love Grove Pumping Station for the year 1940-41, and omission to record demand for six rooms occupied by the Schools Committee, the rent for which was recovered by the Estate Agent and credited to the Revenue head other than 9 Mechanical, were mentioned in the last audit report. The register has since been completed and the demand for the rooms occupied by the Schools Committee was taken on the register as from 1st March 1943.

M.C.A. 2920 V
29-6-1942.

In the ambulance call register of the Mechanical Engineer's Office the time for attending a call received on 8th December 1941 for taking a patient to Dadar from Maratha Hospital was changed by overwriting. As the charges are based on actual time for which the ambulance is engaged, the time factor is material. The Commissioner ordered that corrections, if any, should be attested by the Officer.

M.C.A./2918/V
29-6-1942.

The revenue derived on account of sale of rights for cutting grass etc., by the Drainage Department showed a gradual fall from Rs. 2,221-3-0 for 11 rights in 1939-40 to Rs. 910 for 5 rights in 1940-41, and to Rs. 320 for 4 rights in 1941-42. The City Engineer explained that the main cause was due to the stoppage of the use of drain water for purposes of cultivation as the Health Officer was of opinion that the use of drain water for growing vegetables etc., was most unhygienic and detrimental to the Health of the citizens.

M.C.A./2917/V
29-6-1942.
7-11-1942 &
31-3-1943.

In the monthly ground rent register of the Drainage Office some cases were found running in arrears from two to twelve months. On a reference made by Audit, the City Engineer explained that in three cases rents were recovered upto date and that in one case where there was sub-letting ejectment suit was being filed against the parties concerned.

License Department.

M.C.A./2744/V
13-4-1942 &
2-11-1942.

The receipts from trade licence fees amount approximately to Rs. 2,25,000 per year. The number of licences covering these fees come to about 24,500 a year. Prior to 1937, the collections were effected from the licences in the Chief Accountant's Office, where the amounts were received by the receiving clerk on presentation of the original licence notices served on the traders by the License Department. The License Department also used to send the triplicates of these notices to the Accounts Department which remained with the Cashier who used to pass receipts attached to the notice form by inserting carbon in between the original and the triplicate form. The originals were returned to the parties and the triplicates served as initial documents for taking the sums so received in the account books. Thus the system provided proper internal check.

Since 1937, the work of collection has been transferred to the Licence Department but instead of dividing the functions of receiving money and of passing receipts between two persons, *viz.*, the receiving clerk and the Cashier as internal check, the work of both receiving money and passing receipts is attended to by the Cashier of the Licence Department. As the receipts passed are not on any bound and serially numbered forms, there is no check against the possibility of the triplicate loose notice form being omitted to be written and left unaccounted for on the day on which the money is received. There is also no means to ascertain the number of triplicate notices left unpaid in the hands of the Cashier at the end of each day. Thus the system leaves loop-holes and chances for mischief by any designing Cashier, and is therefore defective. Attention of the Commissioner was drawn to this, who in consultation with the Superintendent of Licenses, and the Test Audit Officer, has since decided to divide the functions of receiving collection and passing receipts between a clerk and a Cashier from the next year.

M.C.A./2546/V
13-1-1942 &
25-4-1942.

It was mentioned in the last audit report that in the registers for squatters fees for reserved areas in different wards of the City, departmental check over vacancies was not operative and the receipts columns were also not totalled and tallied with the cash collected by the Supervisors during the month. The Commissioner has since issued instructions in consultation with the Test Audit Officer to keep the squatters fees registers in the required manner as from 1st April 1943.

M.C.A. 3410, V
8-2-1943 &
4-6-1943.

In the squatter fees register of A Ward about 180 pitches reserved for squatters were running in arrears ranging from one to four months and the remarks regarding vacancies, if any, were also not noted against them. The Superintendent of Licenses explained that the supervisor of the ward was on leave and his work was looked after by another supervisor in addition to his own duties and hence the work remained incomplete, and that the outstanding fees were recovered. The Municipal Commissioner issued orders that the substitutes should try to keep the work upto date. A further list of outstandings was sent to the Department and the Superintendent of Licenses' reply is awaited.

M.C.A. 2070 V
30-9-1942 &
31-3-1943.

In the last audit report it was mentioned that the fundamental requirement of accounting for the advertisement permits actually issued, by proper balancing of the registers after taking into account the cases of fees received for which permits remained to be adjusted to revenue was not carried out, and that the Superintendent of Licenses and the Test Audit Officer assured Audit that on introduction of summary registers the defects pointed out would be remedied. Test check of the advertisement demand regsiters during the year showed that in certain

cases the demands of permit fees were split up and shown as demands for different quarters instead of showing according to the dates of issue of permits. In the summary registers also the total demand under each personal account was shown by adding arrears to the current demand without taking into consideration the credit balances on account of advance payments. The revenue returns received during the year for audit in respect of advertisement permits fees did not also show the correct position of demand. The Superintendent of Licenses explained that while operating on the old system the irregularities occurred, and assured that the instructions would be strictly followed from the year 1943-44.

In the last audit report it was mentioned that deposits lodged by several Municipal Councillors and others in respect of permit fees for advertisements displayed during the Elections of 1939 were not adjusted. These 95 cases of deposits aggregating Rs. 992-13-0 were adjusted in February and March 1942 accounts.

M.C.A./2052/V
10-6-1942.

In several cases it was noticed that more than one receipt was passed for amounts received in Deposit Account, from the same parties on the same day. The Department was advised to pass one receipt so as to prevent unnecessary waste of receipts and revenue stamps. The Superintendent of Licenses has since agreed to follow the audit suggestion.

M.C.A./2868/V
5-6-1942.

Fire Brigade Department.

Cases of supply of fire engines, ambulance car, and steam rollers on hire for use in the suburban areas come to notice occasionally. The Municipal Act extends only to the City of Bombay, and therefore it is not within the powers of the Corporation to give on hire these conveniences outside the City. The Commissioner on audit query explained that the help rendered to the suburbs was on humanitarian grounds and as an act of good neighbourliness ; and that refusal to render such help in cases of fires would be prejudical and might give rise to undue adverse comments. In 1933, the then Advocate General Sir J. B. Kanga, opined in connection with hire of fire engines outside Municipal limits, that an amendment of the Municipal Act on the lines of Section 33 of the Town Police Clauses Act, 1847 in England was highly desirable. It would not be desirable to refuse help to suburbs for the supply of fire engines and the ambulance cars on humanitarian grounds, however, it would be advisable to legalise the loans of these services by amending the Municipal Act. As regards hire of steam rollers the Commissioner has in September 1942 issued instructions prohibiting their hire outside City limits.

M.C.A./3442/V
19-2-1943.

For attendances by Fire Brigade staff at the places of private parties the staff is paid honorarium at the rate of half a day's wages per day of attendance out of the recovery of one and half day's wages made from the parties. In this connection it was noticed that (*a*) sanction of the Standing Committee was for payment of full day's wages to the staff against half day's wages that the Commissioner used to pay them ; (*b*) full amounts of recoveries made from the parties at one and half days' wages were not taken as demand in all cases in the demand register. In certain cases demand was noted only for the amount equivalent to one day's wages and the moiety of half day's wages payable to the staff was credited to the deposit account for payment direct to the staff, and (*c*) no printed consecutively numbered bill books were used by the Department to guard against any possible omission of demand. The matter being pointed out to the Commissioner the Department has agreed to do the needful.

M.C.A./2992/V
17-7-1942.

It may be observed that out of the one and half day's wages recovered from private parties half day's wages are paid to the staff as honorarium and one day's wages go to the Municipal Fund but for the charges on account of pension and leave salary borne by the Municipality the fund does not get any credit.

Superintendent of Gardens.

No stock account of the tender forms was maintained in the Department. The Gardens' Superintendent has agreed to maintain accounts of all printed tender forms as suggested by Audit.

M.C.A./3142/V
5-10-1942.

Markets Department.

In several cases of stalls in the Municipal Markets, vacated or transferred to other parties during the 1st quarter of 1941-42, the licence fees which are recoverable in advance in the beginning of the year were found unrecovered. In cases of transfers, the transfer fees due under Schedule of Fees were also not recovered. Some of these stall-holders had also absconded without paying the license fees and the rents. In this connection Audit could not accept the explanation of the Department that the license fees could only be recovered along with the quarterly rent and not separately in the beginning of the year, and that in cases of transfers, the transfer fees could not be called for until the transfer orders were passed by the Commissioner. This dilatory practice involves losses in case of abscondence of tenants. The question being further pressed by Audit, the Commissioner has passed orders to the department to see that in future the licence fees are taken in time from the heirs or the occupants of the stalls, and kept in deposit till the transfer orders are passed by the Commissioner; and that the transfer fees are also recovered when the stalls are actually transferred. The main point, however, is that in order to minimise the loss occuring in the rent and licence fees, the Department should abandon the practice of delaying recoveries in favour of the strict application of the rule of recovering all charges just in the beginning of each quarter.

M.C.A./2545/V
13-1-1942 & 10-8-1942.

In one case a stall holder had absconded without paying rent and leaving the stall locked. After some months the lock was opened before a *punch* and the articles found in the shop were auctioned. The amount realised was credited to the rent account of the party showing the demand of rent due, to the extent of the amount of the sale proceeds only. The rent for the period not covered by this amount was not shown as demand. The party's name was also removed from the black list of defaulters as there were no dues outstanding against him. Audit having objected to this practice of not showing the demand correctly in the register, the Commissioner has passed orders that all rents due but not recovered should be shown as demand and proposed for write-off to the Standing Committee in due time.

M.C.A. 2865 V — 3-6-1942 & 24-6-1943.

Under Standing Committee Resolution No. 754, dated the 5th October 1938 a fee of Rs. 10 has been fixed for permission to sell cocoanuts in the Municipal Markets for a period of four days during Ganesh Chaturthi Festival. The Department, however, appeared to have formed a practice of giving such permissions on a daily basis on payment of Rs. 2-8-0 per day as against the sanctioned scale of Rs. 10 minimum for a period not exceeding 4 days. The Department has been asked to discontinue this practice unless the scale is amended with a like sanction of the Standing Committee. Reply is awaited.

M.C.A./2509/V — 19-12-1941.

It was mentioned in the last audit report that squatters of the reserved areas around Erskine Road Market, hawking dry masala were allowed to occupy some of the vacant stalls inside the market on a monthly rent of Rs. 3 per stall ; that thirteen of them had run into arrears of rent from six to fourteen months as on 1st October 1941 ; and that they also did not pay the licence fees. Although a dozen reminders have since been issued to the Department through the Commissioner in this matter, no explanation to the audit note is forthcoming from the Superintendent of Markets.

M.C.A./2486/V — 13-12-1941 & 20-7-1942.

As reported last year, Audit objected to the procedure followed by the Department of receiving proportionate fees for licences issued for periods shorter than one year in absence of any provision therefor in the Schedule of Fees. It appears from Corporation Resolution No. 209, dated the 14th June 1943, that a scale of fees for periods shorter than one year has since been fixed on the recommendation of the Commissioner. It may, however, be observed that no minimum fee as in the case of trade licences has been fixed in certain cases of licences where the annual fees are small.

M.C.A./2021/V — 22-5-1942 & 6-1-1943.

In the last audit report it was mentioned that forty five tenants of chawls, in the compound of Bandra Slaughter Houses, were in arrears of rent for two or more months, and that the Commissioner had ordered to issue notice to the defaulting tenants. During the year it was noticed that 43 tenants were running in arrears of rent for periods ranging from two to ten months ; the rent demand register was not posted upto the date and in one case of transfer of room, rent for 9 months credited to deposit was not adjusted to Revenue.

Reply to audit reference is awaited.

M.C.A./1132/V — 27-5-1942 & 10 6-1943.

It will be seen from the previous audit reports that in several cases of private markets, the licence fees recovered during the past years to the extent of nearly a lakh of rupees were lying in the deposit account and not credited to revenue on the grounds that the owners had applied for reduction, and that in one case of transfer of licence was not effected. Merely because the owners applied for reduction in licence fees, the Department is not justified for not giving credit to revenue for fees received for the periods during which the business was already carried on. It is for the Corporation to see whether reduction is allowed or not, and if they allow reductions retrospectively for the past periods, they will necessarily sanction funds for payment of refunds. The amounts have since been adjusted except in the case of Byculla Private Market where the licence fees are lying in deposit since the year 1936-37, which now amount to Rs. 1,64,108-0-0. The transfer case of Byculla Private Market appears to have been unduly protracted and necessary credit of fees has been kept back from revenue for nearly seven years. The case requires early attention.

M.C.A./1941/V — 22-4-1941.

As pointed out in the last audit report six shop-keepers in the Fergusson Road Market were charged squatters fees on daily basis. In order to bring about proper control over the recovery of rents for such shops in the Fergusson Road and in other Markets, the Department was asked to bring all of them on the stall rent demand registers. In spite of several reminders since issued, no reply is forthcoming from the Department. It appears from Standing Committee Resolution No. 119, dated the 23rd April 1943, that only in the case of 3 shops of Fergusson Road Market quarterly rents have been fixed and taken on the Demand Register as from 1st April 1943.

M.C.A./2623/V — 20-2-1942 & 13-3-1943.

As pointed out in the last audit report, for removal of animals like cows to the suburbs from the Bandra Slaughter Houses a fee was being charged for which there was no authority in the Schedule of fees. Necessary sanction of the Corporation has since been obtained by the Department (Corporation Resolution No. 1041, dated the 11th February 1943), for charging the fee for removal of all animals to the suburbs from the Slaughter Houses on the lines of the fees charged for import of animals into the City from the Bandra Slaughter Houses.

M.C.A./2819/V — 11-5-1942.

Arrears of rent amounting to Rs.910 due from one Mr. Ganoo Shivji More were written off as irrecoverable with the approval of the Standing Committee in 1941 due to insolvency of the party, while the legal costs amounting to Rs. 230-12-0 in respect of the claim and ejectment suits, stood outstanding in the registers of the Legal Assistant. This being pointed out to the Commissioner, write off orders have again been obtained for this amount, under Standing Committee Resolution No. 768, date the 27th August 1942. This is one of the many instances showing want of co-ordination between the Departments in the matter of proper watch over the demands and outstandings.

M.C.A./2880/V — 12-6-1942.

In the month of August 1941 two variations were noticed in the quantities shown in the meat inspector's reports and those appearing in the Miscellaneous Demand Register in respect of beef imported from Poona by Military Authorities. The Superintendent of Markets explained them as mistakes and got the quantities in the demand register corretced, taking the weights furnished by the Officer-in-charge, Poona, as correct. The Chief Accountant, however, issued instructions to the Department that in future such changes in the demand should only be made with the Commissioner's sanction.

M.C.A./2984/V — 3-8-1942 & 11-8-1942.

Some of the cold storage receipt books for the month of December 1941 were not made available for checking, and the Superintendent of Markets stated that they were probably removed by the waste-paper contractor. The matter was reported to the Commissioner who issued orders, that adequate steps should be taken to keep the record systematically and to prevent the mixing up of records indiscreminately ; that the persons concerned should be severely warned and a note be taken in their service sheets.

Five deposits amounting to Rs. 38 received from 1937 and onwards, for slaughter fees, import fees, etc. were outstanding in the Deposit Register but their relative demands were not created in the demand register. The Superintedent of Markets stated that the papers in connection with, these deposits were not traceable and the circumstances under which they came to be received were also not known. The whole amount of Rs. 38 has, however, been adjusted in December 1942 to Revenue with the sanction of the Commissioner.

M.C.A./2866/V
3-6-1942.

The following irregularities and defects noticed in the Revenue Returns for 1940-41 were communicated to the Commissioner for issuing necessary instructions to the staff for the future :—

M.C.A./2897/V
22-6-1942 & 16-11-1942.

(*i*) Incomplete postings in the Demand Registers.
(*ii*) No reasons given for the arrears.
(*iii*) Registers not attested by the Superintedent of Markets every month.
(*iv*) Check of the internal audit staff of the Chief Accountant was not complete.
(*v*) Summary of chawls and ground rents in the Bandra Slaughter Houses Demand Register was not properly prepared and attested.
(*vi*) The return was received for audit nearly one and a quarter year after the close of the accounts.

On examination of books in May 1943 the registers such as main cash book, monthly ground rent register, annual ground rent register, stallage rent demand register, licence fees register, etc., were found either untotalled or totalled in pencil and not attested by the Superintendent of Markets monthly. They were also left entirely unchecked by the internal audit staff of the Chief Accountant for the whole year 1942-43. Explanation called for from the Department is awaited.

M.C.A./3037/V
21-8-1942 & 3-5-1943.

It will be seen from the previous audit reports that in order to have a check on the large number of vacancies in the Municipal Markets Audit requested the Commissioner to call for vacancy reports (showing total loss in rent for vacancies tallied with the amount of vacancies in the quarterly returns) certified by the persons in charge and scrutinized by the Superintendent of Markets and the Test Audit Officer, and that the Commissioner had accordingly passed orders for submission of such reports to the Audit Department. In this connection it may be observed that during the year 1942-43 the Department submitted a consolidated revenue return for the whole year of 1941-42 with four quarterly vacancy reports, which appeared to have been prepared from the Demand Registers. The Department was therefore asked to send monthly vacancy reports received from the Inspectors and scrutinized by the officers concerned but no such reports have so far been received. As for the year 1942-43 no quarterly returns and the vacancy reports have been received.

M.C.A./3388/V
3-2-1943.

The vacancy reports as prepared by the inspectors and duly verified by the Superintendent of Markets should be submitted to the Test Audit Officer as soon as possible after the close of each month to afford timely verification by him of any of the vacancies he chooses to test check. A summary of such monthly vacancy reports should then be attached to the quarterly revenue returns and forwarded to Audit. Unless this is done regularly in time the value of such report is lost.

Estate Agent's Department.

The main items of receipts of this Department are (1) Rents from Municipal and ex-Trust Properties, (2) Sale of rights, (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums on permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

The registers of demand collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 were not found totalled, balanced and reconciled at the close of the year. No summary demand register was also maintained for item No. 6, *i.e.*, sale proceeds of Municipal lands and therefore, the figures in respect thereof, were not taken in an abstract form showing the total demand, collection and arrears. Although the figures of demand, collection and arrears in respect of other items of revenue of the Department were balanced and cross-tallied on the registers, the figures of collection for the year ending 31st March 1943 were not reconciled with those on the Chief Accountant's registers and submitted to Audit upto the date of writing this report. A system of quarterly reconcilitation of figures of collections as between the books of the two departments of the Estate Agent and the Chief Accountant is in existence, but the only statement of quarterly reconciliation received by the Audit from the Chief Accountant upto the time of writing this report in August 1943 was for the quarter ending March 1942. Accordingly, the revenue figures shown in Appendix 23 of the Chief Accountant's abstract of accounts are not the figures duly agreed and reconciled with the Estate Agent's Registers.

In a department like the Estate Agent's where the revenue is made up of numerous receipts, the only way to achieve complete control and check against omissions and inaccuracies is a proper reconciliation of accounts. Moreover, for a timely correction of inaccuracies and bringing to account the omissions, the work of this reconciliation should be completed immediately after the end of the period. However, it is found to lag behind by a year. Audit has been making persistent efforts to get the reconciliation work brought upto date but still it is not found sufficiently pushed through to cover up the gap of the past period.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by drawing up periodical lists of arrears of selected cases and sending them to the Department for early clearance. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the Departmental Officers and staff by circulars, instructions, and warnings, where necessary to attend to them and to avoid recurrence of the cases pointed out by Audit and as a result, some improvement is noticed in that respect.

The cases of past arrears, specially of vacated tenancies, do not seem to receive as much attention as they ought to as will be seen from some of the audit objections mentioned hereafter. A special report has also been made to the Standing Committee in this connection (*vide* Standing Committee Resolution No. 259, dated the 28th May 1943). It will be noticed from these audit objections, that although the names of the defaulting firms and parties have been supplied by Audit to the Department, either by reference to the Telephone Directory, or to letting papers, yet the advices of their clearances are not still received. The amount of such past arrears of vacated tenancies for " Bad and Doubtful Debts " was Rs. 3,03,451 on 1st April 1942. To this was added a sum of Rs. 1,17,471 on account of fresh arrears accrued during the year 1942-43 bringing the total outstandings to Rs. 4,20,922. Against this the recovery effected by the Rent Collecting Staff, including adjustments of deposits etc., during the year 1942-43 was Rs. 51,695 only.

There is also an urgent necessity of clearing the irregularities which continue for the past several years in connection with the sale of acquired lands at Worli Koliwada, as will be seen from the note of the audit objection appearing hereafter in the report.

Outstanding Audit Notes.

Although every query or observation made by Audit has to be promptly disposed of by the Officers concerned, as laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, out of the 258 notes issued during the three years, ending 1941-42 and 76 audit notes issued during 1942-43, replies received upto the date of writing of this report were only in respect of 174 and 21 notes, respectively.

This year as usual the lists of outstanding audit notes are not attached owing to scarcity of paper.

Non-execution of agreements.

It may again be repeated this year that for the various cases of leases, etc., entered into by the Municipality, the work of executing agreements is unduly delayed and sometimes the leases are found running without agreements for years. Instances of this type of delay are noted below.

A plot of land admeasuring 210 square yards in case 109, Scheme 47, was given on 10 years' lease under Improvements Committee Resolution No.290, dated the 1st October 1935, to Messrs. Gulamhusein Sadruddin & Co., at Rs. 70 per month. The firm was in arrears of Rs. 770 as on 1st July 1942. Although more than seven years had elapsed, no agreement was executed. The Estate Agent's reply to audit reference is awaited.

M.C.A./2962/III
24-7-1942.

Set-back land at No. 273, Abdul Rehman Street, was leased under Standing Committee Resolution No. 6377, dated the 16th October 1929, to Mr. Lookmanji Thavarbhoy for construction of a temporary shed on a monthly rental of Rs. 40. Thereafter the party died, but the lease is not yet transferred to his legal heirs as per the report of the Assistant Engineer (B South) dated the 17th March 1937. The Estate Agent has been requested to do the needful. Reply is awaited.

M.C.A./3079/III
9-9-1942.

Under Improvements Committee Resolution No. 368 dated the 5th November 1935, vacant land at Mahim was leased to the Trustees of Sunnat-al-Jamat who have not yet executed the agreement, although more than 8 years have elapsed.

M.C.A./3464/III
27-2-1943.

Reply to audit note is awaited.

Under Improvements Committee Resolution No. 28, dated the 7th April 1936, permission for access from Municipal Tulsi Pipe Line was granted to Mr. Brijlal Ramjidas on payment of Re. 1 per month, but no agreement is yet executed.

M.C.A./3503/III
12-3-1943.

The necessary tenancy agreements in rspect of vacant land in Potters' Camp at Dharavi and in Scheme 3 occupied in 1933 have not been still executed. Reply to audit notes are awaited.

M.C.A./918/III
18-3-1940
&
M.C.A./826/III
3-2-1940.

Delay in submission of vacancy and occupancy reports.

Seven cases of late submission of occupancy reports of Municipal vacant land were referred to the Estate Agent. In some of these cases tenancy deposits also were not recovered. The Estate Agent's reply is awaited.

M.C.A./3204/III
6-11-1942.

44 cases of late submission of vacancy and occupancy reports were referred to the Department. Out of them, the following are the instances of serious delay :—

M.C.A./2475/III
12-6-1942.

(1) One Brijlal Ramjidas occupied a piece of vacant land in Mahim Section on 2nd August 1934, for which the occupancy report was submitted on 15th December 1941, *i.e.*, after a period of more than seven years.

(2) One Sant Kumar occupied a piece of vacant land admeasuring 40 square yards on plot 708 in scheme 56 on 12th July 1940, for which the occupancy report was submitted on 21st January 1942, *i.e.*, after a period of 2 years.

(3) One Vithabai Tukaram occupied 161 square yards of vacant land on plots 191 and 191A in scheme 56, for which the occupancy report was submitted on 24th September 1941, *i.e.*, after the period of one year and a half.

(4) One Mr. Usman Juma occupied vacant land at Pydhoni Road, for which the report was submitted after 3 years.

M.C.A./3203/III
6-11-1942.

One Kashinath H. Mhatre occupied a structure in case 386 in Scheme 52, on 20th March 1929 on a nominal rent of Re. 1 per month. The occupancy report, however, was submitted on 27th June 1941, *i.e.*, after a lapse of over 12 years. No demand was shown in the Demand Register till August 1941, when the total arrears of Rs. 148 for 12 years were shown therein. The Estate Agent explained that the property was acquired by the ex-Trust from Mr. Mhatre and others on 20th March 1929, but the claimants were allowed to continue to occupy it on a monthly rent of Re. 1 *plus* taxes, as they refunded to the Trust the whole amount of compensation awarded to them for the acquisition of property amounting to Rs. 8,093, but the tenancy remained to be shown in the Demand Register inadvertantly. The arrears are now being recovered by monthly instalments of Rs. 3.

M.C.A./2857/III
30-5-1942.

A vacant piece of land was occupied by a party on 28th May 1941, but the occupancy was reported only on 17th October 1941, when the deposit and rent were paid by the party. The Estate Agent explained that it was unauthorised occupation and so the party paid the rent only when he was threatened with legal action and hence the delay.

M.C.A./2439/III
27-11-1941.

It may be observed that even in cases of unauthorised occupations, reports of the occupancy should be made immediately, pending settlement of other questions. Fourteen cases of late submission of vacancy reports were referred to the Department. The arrears of rents were neither recovered nor adjusted against deposits. Three amounts of arrears of Rs. 4-8-0, Rs. 126-14-0 and Rs. 112-15-0 have since been recovered at the instance of Audit. The papers called for in respect of some items are awaited.

M.C.A./2355/III
29-10-1941.

Breach of Provisons of the Act.

The right of access over Tulsi Pipe Line was granted to one Mr. Omkarmal Surajmal, the owner of adjoining property on 1st June 1922 with the Municipal Commissioner's sanction. Since then the property changed hands twice, and in 1937 an agreement for the lease was executed in favour of Messrs. Laxmi Properties, Ltd., the present owners of the properties. The rights of access has been enjoyed by the parties for the last 19 years, but the sanction of the Corporation for grant of lease has not been obtained, although at the time of executing the agreement the necessity for this sanction was pointed out by the Legal Assistant. The books also do not furnish proper information as to the amount of rent outstanding in connection with the lease.

M.C.A./532/III
29-5-1941.

No reply is received to an audit reference made in this connection in 1941.

Under the provisions of Article (1*d*) of Schedule BB of Section 123A of the Municipal Act, all fines levied in respect of the leases are to be credited to the Capital Account. In certain cases however, such fines were found credited to General Account. Necessary adjustments have since been got made.

M.C.A./3112/III
21-12-1942.

Arrears Written-off.

On a test check of the write-off statements sanctioned under Standing Committee Resolution, Nos. 131 586 and 792, dated the 30th April 1941, 22nd July 1942 and 2nd September 1942, respectively many items of arrears of rents were found included in the statements, although audit references were pending thereagainst with the Department. In some cases where business addresses of firms and parties were noted in the occupancy reports, the remark 'party untraceable' appeared in the statements. Even in cases where the parties used to pay decent rents from Rs. 30 to Rs. 550 per month no legal action appeard to have been taken. In one case a party's deposit of Rs. 90 was lying in the deposit register, while sanction was obtained to write-off the arrears of Rs. 470-7-7.

M.C.A./3320/III
6-1-1943.
&
M.C.A./2158/III
4-11-1942.
25-11-1942.
26-11-1942.

In 10 selected cases of arrears sanctioned to be written off under Standing Committee Resolution No. 131, dated the 30th April 1941, papers showing the actions taken for the recovery were called for. They were, however, reported as not available in eight cases.

Replies to audit references are awaited.

A sum of Rs. 21-12-0 appearing outstanding in the Arrears Register against a firm which used to pay a rent of Rs. 225 per month was written-off with the sanction of the Standing Committee on the strength of a report from the Rent Collector that the party was untraceable. Audit felt doubt about the accuracy of the Rent Collector's report and on a reference to the Telephone Directory, it was ascertained that the firm was transacting business under the same name as before. The Department was, therefore, requested to recover the amount. The Rent Collector then paid up the amount himself in the name of the firm, as subsequently admitted by him during the investigation made by the Department in this connection. The Rent Collector is dismissed by the Commissioner.

M.C.A./2105/III
3-7-1941
&
M.C.A./3384/III
11-3-1943.

A sum of Rs. 270 appearing outstanding in the Arrears Register against the name of Mr. K. M. Dohadwalla was written off with the sanction of the Standing Committee, as irrecoverable on the ground that the party was untraceable. Audit having felt doubt as to the untraceability of the party whose business address appeared in the Telephone Directory, made a reference to the Department who started the enquiry and the amount was found to have been recovered and misappropriated by the same rent collector who has been dismissed from the Municipal service as a result of the fraud detected by Audit in the year 1940.

M.C.A./1551/III
5-12-1940.

M.C.A./1525 III
27-11-1940.

A sum of Rs. 90-2-0 appearing outstanding in the Arrears Register in the name of Messrs. Daddy Billimoria & Co., is written off with the sanction of the Standing Committee on the ground that the firm is untraceable. It is ascertained by Audit that Messrs. Daddy Billimoria & Co. is doing business in East and West Building, Apollo Street, Fort, Bombay and are on the approved Municipal list of Architects.

No reply to audit reference made to the Department in this connection in 1940 is, however, received in spite of several reminders.

Arrears of Rent—Recoveries at the instance of Audit.

M.C.A./804 III
24-1-1940.
M.C.A. 822/III
2-2-1940.
&
M.C.A./1540/III
2-12-1940.
M.C.A./2105/III
3-7-1941.

Out of the cases of outstanding arrears of vacated tenancies referred to the Department for recovery, a sum of Rs. 445-1-0 in the following cases has since been recovered.

Serial No.	Particulars of tenancy.	Name of tenant.	Rent per month.	Outstanding as on 1-1-1940.	Date of recovery.	Remarks.
			Rs.			
1	Dadar, Plot No. 18	... Ramji Raoji Sojpal ...	15	Rs. 5-8-0 (for period ending 30-6-1935)	27-8-1941	
2	Homji Street, Vacant land, 115 square yards.	The Progressive Engineering Company.	8	Rs. 24-0-0 (ending December 1936).	3-12-1940	Well known Business Firm.
3	Mahim Section, vacant land.	M. L. Dhuru ...	1	Rs. 8-0-0 (ending 31st May 1936).	9-6-1941	
4	198, Vacant Land, Mahim Section.	Ganoo Hari ...	3	Rs. 18-0-0 (ending March 1938)	1941	Municipal employee Recovery through paysheet in April, May and September 1941.
5	Mahalaxmi stables.	Overbridge Haji Umar Haji Moosa Bharucha.	165	Rs. 186-10-0 (ending 5-12-1937)	24-4-1940	
6	Mahalaxmi stables, case floor 1.	Overbridge 700 ground Abdul Vahid ..	30	Rs. 20 (ending November 1937)	21-2-1940	Recovered in 4 nstalments.
7	Mahim, 328 floor 1.	ground floor S. A. Thakur ...	35	Rs. 87-8-0 (ending 18-10-1937)		Recoveries by instalments of Rs. 5 from January 1941 to June 1943.
8	Dadar Overbridge	... T. R. Naravane ...	5	Rs. 16-5-0 (ending 28-11-1936).	11-6-1940	
9	Beef Lane, vacant land, 68, square yards.	Messrs. S. V. Apte & Co. ...	19-2	Rs. 57-6-0 (ending February 1938.	15-12-1942	
10	Scheme 37, 229 ground 1-2.	Messrs. E. F. Kavarana & Co.	225	Rs. 21-12-0.	14-11-1941	Amount was written off under Standing Committee Resolution No. 653 of 7-8-40.
				Total ... Rs. 445-1-0.		

Arrears of Rent (Permanent)

M.C.A./2939/III
11-7-1942.

A list of 51 cases of arrears of ground rent amounting to Rs. 1,04,559-1-4 due from the lessees for four quarters (*i.e.* 12 months) and over was forwarded to the Department for early recovery and advice. Reply is awaited. Previous audit note No. M.C.A. 2342/III, dated the 16th October 1941, on the same subject also remains still unreplied.

Arrears of Rent (Temporary).

Out of 10 cases of heavy arrears reported last year, recovery in one case only is effected and the following cases are still outstanding:—

M.C.A. 1261 III
25-7-1940.
Arrears of Rs. 528/- due from Mr. R. S. Nikalje.

M.C.A. 1280 III
29-7-1940.
Arrears of Rs. 80-8-0 at Rs. 3/- p.m. from one Khara Baba.

M.C.A. 1281 III
29 7 1940.
Long outstanding arrears from various parties covering a pariod of 2 to 4 years for different occupations.

M.C.A. 1332 III
23-8-1940.
Arrears of Rs. 918-5-0 and Rs. 12-8-0 from Mr. N. C. Patel and Mrs. Patel, respectively.

M.C.A./1500/III 18 cases of arrears due from traceable tenants of 1937-38.
13-11-1940.

M.C.A./1542/III Arrears of Rs. 294 at Rs. 6 per month from Bai Aminabai Shaikh Karim.
3-12-1940.

M.C.A./1561/III Arrears of Rs. 808-3-0, Rs. 596-5-0 and Rs. 220-0-0 for tanancies of 1936-1937.
10-12-1940.

M.C.A./1660/III Arrears of Rs. 50 & Rs. 75 from one Bahadur Agnoo.
7-2-1941.

M.C.A./1246/III Arrears of Rs. 120 at Rs. 40 per month due from Mr. L. B. Godbole.
17-7-1940.

M.C.A./1239/III 13-7-1940. & M.C.A./1659/III 7-2-1941. Rs. 1,642-9-0 due from Mr. B. R. Bhonsle for occupation of rooms in case 899/2, Scheme 57, and a piece of land in case 403 in the same scheme reported last year still remain unrecovered.

Following are the instances of heavy arrears referred to the Department for explanation and recoveries. The progress of recoveries and departmental replies are summarised in short hereunder:—

M.C.A./1440/III 9-10-1940. M.C.A./2342/III 16-10-1941. & M.C.A./2408/III 14-11-1941. Several cases of arrears over six and nine months were referred to the Department for recoveries. Report received from the Department in respect of case No. 1440, dated the 9th October 1940, shows certain recoveries since effected, but several items still remain to be cleared. Replies to case No. 2342, dated the 16th October 1941 and No. 2408, dated the 14th November 1941, are not yet received.

M.C.A./2183/III The arrears of Rs. 257-2-3 in respect of the period ending 27th February 1935 due from Messrs. J. A. Irani and Abdul Aziz as reported last year still remain unrecovered.
2-8-1941.

M.C.A./2224/III Sixteen cases of arrears due from tenants in respect of a demolished property were referred to the Estate Agent who replied that all the tenants were untraceable and no recovery could be made.
20-8-1941.

M.C.A./2316/III No reply to the audit note regarding arrears of Rs. 50-4-0 due from Messrs. R. M. Engineer & Co. is still received.
8-10-1941.

M.C.A./2563/III Audit note regarding heavy arrears due from 39 tenants still remains unreplied.
22-1-1942.

M.C.A./2709/III About 20 cases of heavy arrears were referred to the Department for recovery. From the reply received it was noticed that in one case of a Municipal servant no action was taken by the Department for over 2 years for recovery of arrears. Now they report that the tenant is untraceable.
31-3-1942.

M.C.A./2271/III Cases of arrears of rent for varying periods of about 40 tenants who vacated the property which was sold were referred to the Estate Agent, who advised that all the arrears were since recovered, except from one who was untraceable.
16-10-1941.

M.C.A./2428/III Seven items of unrecovered arrears covering a period of over six months were referred to the Estate Agent. Out of these papers, two cases were reported to be missing and in other two cases no departmental action to effect recovery was found taken since 1941. Reply to further reference in the matter is awaited.
26-10-1941.

M.C.A./2405/III Audit reference regarding the arrears of Rs. 120 from Mr. Sultan Bandealli and Rs. 95-3-0 from Messrs. Aziz & Co. still remain unreplied.
12-11-1941.

M.C.A./2552/III A tenancy was found sub-let by a tenant to a peon employed in the Labour Camp School of the Schools Committee, whose rent was in arrears for 16 weeks The case was referred to the Estate Agent who advised that the amount was since recovered by filing a suit.
17-1-1942.

M.C.A./2719/III The arrears of Rs. 9 pertaining to the year 1940 due from Mr. F. N. Fardunji were referred for recovery to the Department. The amount has since been recovered.
2-4-1942.

M.C.A. 2769/III
24-4-1942.

Two sums of Rs. 585 and Rs. 95 and one of Rs. 1,229 appearing outstanding in the Arrears Register in respect of sale of rights during 1936 & 1938 were referred to the Department and got adjusted against the deposit of the parties. A list of 24 items of arrears for sale of rights appearing outstanding in the register since the year 1936 has also been referred to the Department for adjustment against deposits, if any, and early clearance. Reply is awaited.

M.C.A./2804/III
7-5-1942.

One Govind Kuka, a Municipal employee, was found in heavy arrears of rent of Rs. 1,873-8-0 at Rs. 129-8-0 per month as on 1st April 1942 for occupation of rooms Nos. 61 to 80 in block 1, Mahar Chawls. The Estate Agent has been asked to explain why a Municipal employee was given a rent farming contract and why he was allowed to run into such heavy arrears.

No reply is yet received.

M.C.A./2817/III
11-5-1942.

Mr. F. Pereira was in arrears of Rs. 106-5-0 at Rs. 5-13-0 per month as on 1st April 1942 for room 33, 1st floor, block 6.

Reply to audit note is awaited.

M.C.A./2938/III
10-7-1942.

A sum of Rs. 40-15-0 was outstanding since 1941 from Mr. Azizbux Bhindiwalla, Engineer in the firm of Messrs. Volkart Bros. As a result of audit reference, action was taken by the Department, and the amount was recovered.

M.C.A./2957/III
21-7-1942.

Three cases of arrears of Rs.100, Rs. 40 and Rs. 44-8-0 due from (1) Messrs. G. D. Gandhi & Co., (2) Messrs. Kazi Abdul Samad Dadamiya & Co., and (3) Messrs. Hirji Kanji & Co., for the period ending June1941, November1941 and October 1941, respectively, were referred to the Estate Agent. As a result, amount of Rs. 44-8-0 has been recovered for item No. 3; for item No. 2, the company is said to have been dissolved and for item No. 1, steps for recovery are being taken.

M.C.A./2961/III
24-7-1942.

51 items of arrears of vacated tenancies for 1941-42 including 3 of Municipal servants have been referred to the Department. Reply is awaited.

M.C.A./2975/III
29-7-1942.

A tenant was found in arrears of rent for nine months amounting to Rs. 315. Audit reference being made to the Estate Agent, the amount has been recovered, but in the meanwhile the arrears again ran for over five months.

M.C.A./2985/III
3-8-1942.

Arrears of Rs. 266-2-6 at Rs. 13-13-0 per month left by a tenant who occupied a piece of land at C. P. Tank Road and vacated it were referred to the Estate Agent for recovery. A sum of Rs. 200 has since been recovered and further report is awaited for the recovery of the balance.

M.C.A./3006/III
10-8-1942.

A sum of Rs. 330 is in arrears for a vacated tenancy for hoarding advertisements since 31-12-1938. Claim suit filed on 30th October 1941, *i.e.* nearly after 3 years and the decree obtained thereafter also remained unexecuted. In addition a sum of Rs. 140-7-0 is also outstanding in respect of assessment bills for the same tenancy.

Prior to 1st January 1938 this tenancy stood in the names of Messrs. K. Gandhi & C. S. Patel of Swastik Oil Mills and a sum of Rs. 132-13-0 on account of assessment bills for that period is also outstanding from them. Reply to audit reference is awaited.

M.C.A./3007/III
10-8-1942.

Messrs. Zenith Chemical Works Ltd., were found in arrears of Rs. 632-8-0 at Rs. 57-8-0 per month for the period ending 19th May 1942, for occupying arches Nos. 18-23 of Mahalaxmi over-bridge. The arrears have since been recovered.

A sum of Rs. 51 at Rs. 8-8-0 per month is left in arrears by a tenant who vacated the tenancy on 1st May 1942. The whereabouts of the tenant are now said to be not known.

M.C.A./3010/III
10-8-1942.

A tenant vacated a piece of land leaving arrears of rent of Rs. 700 at Rs.1,400 per annum on 1st April 1939. After a lapse of six months, the Standing Committee's sanction was obtained to file suit against him. The suit was, however, settled and the party passed a pro-note for the amount, agreeing to pay it by monthly instalments of Rs. 14. He paid the instalments upto 26th November 1941, leaving a balance of Rs. 490 which is still outstanding.

M.C.A./2731/III
18-9-1942.

Four cases of arrears covering a period of over six months were referred to the Estate Agent. In one case it appeared that the rent collector had taken no action for recovery on the orders given by the Divisional Officer. The Estate Agent's reply is awaited.

M.C.A./3110 III
22-9-1942.

A list of 263 items of arrears of over six months including 28 items of Municipal sevants was referred to the Estate Agent for recovery. Some recoveries have since been effected. Further report is awaited.

M.C.A./3103/III
25-11-1942.

A decree for Rs. 98-13-0 was obtained against one Mr. S. N. Shanbag, but it was not executed and the amount was written off under Standing Committee Resolution No. 792, dated the 2nd September 1942. Reply to audit reference is awaited.

M.C.A./3251/III
3-12-1942.

Mr. N. A. Todiwalla occupying plot No. 2942 at Arthur Road Bridge at a monthly rent of Rs. 132-12-0 was in arrears of Rs. 3,387 as on 1st December 1942. No reply to audit reference is received from the Estate Agent.

A decree was obtained against a tenant for Rs. 77 payable by monthly instalments of Rs. 6. Against this, only two instalments were recovered, and the balance of Rs. 65 was not brought over to the current Arrears Register from the register of 1937-38.

M.C.A./3257/III
7-12-1942.

The Estate Agent's reply is awaited.

Heavy arrears of Rs. 6,247-10-0 from one party in respect of different occupations were referred to the Estate Agent.

M.C.A./3289/III
18-12-1942.

The Estate Agent's reply is awaited.

Heavy arrears in respect of departmental occupation in Block I at Palton Road Chawls are noticed to have been carried over from month to month in the Demand Register.

M.C.A./3290/III
18-12-1942.

The Estate Agent's reply is awaited.

Heavy arrears of vacated and running tenancies of a party have been referred to the Department for recovery.

M.C.A./3310/III
5-1-1943.

Cases of arrears of rent for six weeks and more from tenants in Scheme 5, Labou Camp, have been referred to the Estate Agent. Reply is awaited.

M.C.A./3554/III
31-3-1943.

Eighteen cases of Riot Taxes of 1936 due from existing tenants were referred to the Estate Agent who replied that a sum of Rs. 39-11-0 in respect of 12 cases was recovered and Rs. 8-3-0 were adjusted against the deposit.

M.C.A./2729/III
7-4-1942.

Reply is awaited for the remaining cases.

Recovery of Court Costs.

Several amounts of court costs which were sanctioned to be written off under Standing Committee Resolution No. 1687, dated the 7th February 1940 were referred to the Estate Agent for recovery, as they appeared to be due from the existing Municipal tenants and the tenants who had shortly vacated the tenancies. Recovery amounting to Rs. 273-3-0 in 62 cases has since been reported and further report for the remaining cases is awaited. No reply is received to similar other references made to the Department under Nos.680, dated the 30th October 1939, 772, dated the 5th January 1940, and 1556 dated the 6th December 1940.

M.C.A./1387/III
21-9-1940.

Three cases of arrears of Court costs from existing tenants were referred to the Estate Agent for recovery. No recovery is yet reported.

M.C.A./2404/III
13-11-1941.

Three cases of Court costs sanctioned to be written off under Standing Committee Resolution No. 1615, dated the 11th February 1942, appearing to be due from the existing tenants were referred for recovery to the Estate Agent. No reply is yet received.

M.C.A./2653/III
24-4-1942.

Five cases of unrecovered amounts of decrees were referred to the Estate Agent for recovery. Recoveries in two cases have since been effected. Reply for the remaining cases is awaited.

M.C.A./2893/III
19-6-1942.

Nine cases of outstanding Court costs from tenants in occupation of Municipal premises were referred for recovery to the Estate Agent. Recovery in some cases has since been effected and the remaining two cases are still outstanding.

M.C.A./3090/III
11-9-1942.

Mr. Rajabhusen Vallimahomed whose address is available is in arrears of rent of Rs. 40-10-0 and of Court costs of Rs. 13-8-0 since 13-5-1942.

M.C.A./3101/III
16-9-1942.

The Estate Agent's reply is awaited to audit reference.

A list of five items of arrears of Court costs due from ex-Municipal servants is referred to the Estate Agent. Reply is not yet received.

M.C.A./3263/III
10-12-1942.

Sale of acquired lands at Worli Koliwada.

The question of arrears of the sale price of properties at Worli Koliwada was taken up by Audit in the year 1940, as reported in the previous Audit Reports and pressed for recovery on the Department from time to time. As a result, the arrears are reduced to Rs. 14,709-12-11. The Estate Agent has been again requested to clear them early.

M.C.A./938/III
26-3-1940
&
3-5-1943.

The registers in connection with these sales were also found in a state of confusion. The Department has now brought them upto date at the instance of Audit. They are, however, left entirely unchecked by the Chief Accountant's staff, to which attention of the Commissioner has been drawn.

Outstandings of premia, fines, etc.

M.C.A./1818/III
30-4-1941.

Out of 14 cases of outstanding fees, fines, etc., for gallery projections amounting to Rs. 1,868-8-0 as reported last year, recovery of Rs. 118 has since been effected in 2 cases, leaving Rs. 1,750-8-0 outstanding as per the following list.

Early action is necessary for clearance of these items.

Statement of fees, fines, etc., recovered or adjusted at the instance of Audit.

Serial No.	Plot No.	Name of the Party.	Amount recovered or adjusted.	Remarks.
			Rs. a. p.	
1	61 D.M. (South).	Mr. R. D. Kothare ...	68 0 0	Rs. 50 paid under receipt No. 13433 of 31-3-1943. Rs. 18 G. P. fees paid under Receipt No. 1773 of of 4-9-1942.
2	601, B, D.M.	Messrs. Chhaganlal Lovchand & another ...	50 0 0	Paid under receipt No. 785 of 7-7-1943.
		Total Rs. ...	118 0 0	

Statement of fees, fines, etc., outstanding.

Serial No.	Plot No.	Name of the Party.	Amount of fees outstanding.	Remarks.
		Dadar Matunga Scheme.	Rs. a. p.	
1	371	Mr. Ramvallabh Hardayal ...	139 0 0	G. P. Fees, I.C.R. No. 778 of 9-3-1937.
2	471A	Mr. G. L. Jobanputra ...	59 0 0	G. P. Fees.
3	402	Messrs. Agarwalla & another ...	407 0 0	S.O.P.
4	169C	Dr. B. N. Purandare ...	34 0 0	G. P. Fees. C. E. referred to.
5	279A	Mr. B. P. Wadke ...	250 0 0	S. O. P., I.C.R. No. 36 of 22-4-1938.
6	279A	Do. ...	302 0 0	G. P. Fees, I.C.R. No. 36 of 22-4-1938.
7	544	Mrs. N. B. Parekh ...	100 0 0	Encroachment I.C.R. No. 262 of 9-8-1938.
8	427	Messrs. Velsi Lakhamsi & other Trustees ...	123 0 0	G. P. Fees.
9	110 (North)	Messrs. H. Thakcersey & Co. ...	50 0 0 12 0 0	Encroachment, I.C.R. No. 389 of 12-9-1939.
10	284	Mr. Bhogilal Mulji ...	139 8 0	Extension of M.G., I.C.R. No. 725 of 19-12-1939.
		Shivaji Park Scheme.		
11	76	K. B. Bhadrapure ...	110 0 0	Encroachment.
12	49	D. W. Palkar ...	25 0 0	Encroachment. I.C.R. No. 836 of 26-3-1941.
		Total Rs. ...	1,750 8 0	

Tenancy Deposits.

M.C.A./2556/III
20-1-1942.

The urgent necessity of setting right the registers of tenancy deposits by adjustments of different cases and of clearing all arrears of revenue which are hanging on for the past several years was pointed out in the last Audit Report. Nothing appears to have been done so far by the Department.

The registers show a number of tenancy and other deposits received during past years and remaining unadjusted to revenue, although the tenancies were vacated and transactions closed long ago. Corresponding arrears are also being carried forward from year to year. The following are some typical instances :—

(1) One Mrs. Roach vacated Municipal land on 9th January 1936 and her arrears of Rs. 470-7-7 are carried forward in Arrears Register (*vide* page 36 of 1937-38). Against this a sum of Rs. 90 stands to her credit in the Deposit Account, but not adjusted towards the arrears. It is also not known what has been done for recovery of the balance.

(2) Under Improvements Committee Resolution No. 412, dated the 13th October 1936, a temporary lease of 738 square yards of land in Scheme 52, Worli Estate, granted to one Mr.Ganpatsha Bhelosha was cancelled and his deposits of Rs.555 and Rs. 152-4-0, together with a sum of Rs. 150 realised from the sale of structures (total Rs. 857-4-0) were ordered to be forfeited. It is not clear from the correspondence whether a proper account of Rs. 857-4-0 was made up and adjusted to revenue. It however, appears from the Deposit Registers of the Chief Accountant that a sum of Rs. 465 is still standing in the Deposit Account, whereas in the registers of the Estate Agent, there is a pencil remark to the effect that the deposit was adjusted in September 1938.

The transaction was completed in the year 1936 and yet the correspondence and the accounts are not wound up by effecting final adjustment of the relative amounts.

(3) Formmerly, there appears to be a practice in case of Municipal acquired properties to credit in the Deposit Registers all tenancy deposits in the names of the rent collectors, through whom the deposits were received. Nearly 256 items of such tenancy deposits amounting to Rs. 12,850-1-3 (Rs. 12,059-13-11 and Rs. 790-3-4) pertaining to the period 1927 to 1931 are still found standing in the names of the rent collectors. It is doubtful whether all these tenancies are continuing to this date. It is, therefore, necessary that all these items should be properly scrutinised with the case papers, and adjusted to revenue, wherever the tenancies are discontinued and in the case of the existing tenancies the deposits should be transferred in the proper names of the tenants concerned.

(4) A number of small deposits pertaining to a period from 1919 to 1933 received from the tenants on account of cost of re-instating partition doors, etc., are still found outstanding under the Deposit Account, I—Improvement Schemes, (*b*) Rents, (*c*) Other Deposits.

Similarly, certain items of deposits pertaining to 1928 to 1934 still stand in the Deposit Account under the heads City Engineer, (*a*) Tenancy Deposits and Improvement Schemes, (*b*) Rents.

(5) Certain tenancy deposits relating to period prior to 31st March 1934 appearing under the City Engineer's Account in the books of the Chief Accountant are not found written in the Estate Agent's books. The balances of deposits in the Estate Agent's books are also not found compared with those in the Chief Accountant's books and attested by any responsible person.

(6) Against some items of deposits in the registers of the Estate Agent pertaining to previous years, there are remarks "adjusted," but on reference to the Chief Accountant's registers, they are still found standing in the Deposit Account.

All these past deposits should, therefore, be properly scrutinised with the case papers and adjusted to revenue or refunded wherever necessary.

A number of small deposits for stamping tenancy agreements, etc., are lying in the Deposit Account.

M.C.A./2707/III — A reference has been made to the Estate Agent for adjustment and advice.

27-3-1942.

Miscellaneous.

A tenant was charged for occupation of a room at Rs. 12 per month against the standard rent of Rs. 15.

M.C.A./2330/III — The Department explained that a dishoused tenant from a demolished Municipal property, was accommodated by the rent collector under the impression that the reduced rent of Rs. 12 was sanctioned by the Commissioner. The necessary sanction has since been obtained for charging Rs. 12 from 23rd August 1941 to 30th November 1941 and Rs. 15 per month thereafter.

10-10-1941.

A sum of Rs. 40 in respect of the rent of Re. 1 per month for the right of access granted by the City

M.C.A./2967/III — Engineer to Messrs. Fazalbhoy Mills, Ltd., during the year 1929-32 appears to have been omitted to be recovered by that Department. No demand was also created in the registers. Subsequently the Company went into liquidation. The amount has since been taken in the Arrears Register of 1941 and will have to be written off as no recovery can now be effected.

27-7-1942.

The Trustees of Bai Nemtullabai Trust were allowed access over the service passage under Improvements

M.C.A./3443/III — Committee Resolution No. 707, dated the 20th December 1940, at a nominal rent of Re. 1 per annum. The damand and recovery for the rent are, however, not found recorded in the Demand Register. The Estate Agent's reply is awaited.

20-2-1943.

For a temporary lease granted to a party, the rent of Rs. 22 per month was increased to Rs. 47-10-0 per

M.C.A./3498/III — month on account of increase in area. The demand and recovery were, however, continued at the old rate of Rs.22 per month. The Estate Agent has been asked to recover the difference in rent of Rs. 409-10-0.

9-3-1943.

A temporary lease was granted to the B.E.S. & T. Co., Ltd., for a period of 30 years at a monthly rent

M.C.A./3512/III — of Rs. 3 under Improvements Committee Resolution No.338, dated the 2nd September 1941. No demand and recovery of rent are, however, found recorded in the Demand Register. Reply to audit reference is awaited.

11-3-1943.

A party who has been allowed access over the Tulsi Pipe Line at a rent of Re. 1 per annum is in arrears

M.C.A./3493/III — for 28 months. No agreement is also found executed.

9-3-1943.

The Estate Agent's reply to the audit reference is awaited. As pointed out in the previous audit reports

M.C.A./1819/III — the Index Registers of defaulters who vacate the tenancies leaving rents in arrears, were not properly maintained. The Commissioner has since issued instructions to the staff to complete the registers and not to allow any fresh tenancy to a defaulter unless his arrears are cleared off and his name is removed from the list of defaulters.

31-3-1941.

Interest registers of ex-Trust properties (permanent revenue) were not properly maintained. Recoveries

M.C.A./3536/III — of some items were noted in several places. Items of unrecovered interest were not carried over in the new registers. The registers were also entirely unchecked by the Chief Accountant's staff as to opening balances, interest calculations, recoveries and outstandings. Reply to audit reference is awaited.

23-3-1943.

The new Demand Registers for Court costs opened from 1st April 1939 are still not found to be totalled,

M.C.A./2226/III — balanced and reconciled.

21-8-1941.

For six cases of arrears in connection with the sale of rights referred to the Department, available amounts

M.C.A./2249/III — of deposits of the parties have since been adjusted against them and the balances are proposed to be written off.

30-8-1941.

A party was found in arrears of Rs. 539-11-0 and Rs. 533-4-0 for the periods ending 30th July 1940 and 31st March 1941, respectively, in respect of a right in Mahim Section.

M.C.A. 2983 III
3-8-1942.

The Estate Agent is requested to effect clearance. Reply is awaited.

Several cases of receipts passed by the rent collectors in part payments of past arrears without mentioning the periods were noticed. Attention of the Department was called to these irregularities. Necessary warning has since been given to the staff.

M.C.A. 3118 III
26-9-1942.

In several cases rent receipts were found to have been passed without noting the periods therein. Explanations received from the rent collectors, as a result of audit reference, show that for vacated tenancies they merely used to pass receipts for collections of arrears as "arrears of rent." Such irregularity may cause confusion in the Rent Account and the recoveries and should not be allowed.

M C A. 2639 III
16-3-1942.

Division 'B.'

Statements of receipts and payments and balances of Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a summary form.

(Note 1:—Unless specially indicated, the figures throughout this report are in lakhs of rupees.)

(Note 2:—In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included.)

I. Municipal Accounts (Proper).

Revenue Account.

1. Explanatory:—The Original Budget Estimate for the year anticipated a revenue deficit of Rs. 4.29. The actuals however, resulted in a surplus of Rs. 24.37. The improvement of Rs. 28.66 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 18.65 and less expenditure of Rs. 10.01.

2. *Summary of Revenue transactions for the year.*

Particulars.	Actuals 1941-42.	Budget 1942-43.	Revised 1942-43.	Actuals 1942-43.
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts ...	367.66	370.37	376.61	389.02
Expenditure ...	359.21	374.66	387.55	364.65
Surplus (+) ...	8.45	...	...	24.37
Deficit (—) ...	...	4.29	10.94	...

Lapsed Grants:—The amounts of lapsed grants estimated to be renewed during the year 1943-44 aggregate Rs. 16.73 against Rs. 8.74 in 1942-43 showing an increase of Rs. 7.99. The details are given in appendix 4 of the Chief Accountant's report.

3. Summary of receipts according to service heads as compared with Budget and Actuals of previous year.

Head.	Budget 1942-43.	Actuals 1942-43.	Increase or decrease over Budget 1942-43.	Actuals 1941-42.	Increase or decrease in actuals for 1942-43 as compared with those for 1941-42.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, Indirect Taxation and Misc. Revenue ...	164.74	169.19	+4.45	164.16	+5.03
(2) Water Works ...	90.39	92.39	+2.00	87.31	+5.08
(3) Education-Primary ...	9.50	9.52	+.02	9.51	+.01
(4) Education-Secondary ...	...	...	...	...	...
(5) Public Health Department ...	.88	1.00	+.12	.95	+.05
(6) Medical Relief and Education ...	1.59	1.66	+.07	1.59	+.07
(7) Street Cleansing etc. ...	39.28	40.16	+.88	38.95	+1.21
(8) Roads, Drains and Sewers ...	18.70	21.25	+2.55	17.83	+3.42
(9) Mechanical ...	.50	1.15	+.65	.85	+.30
(10) Buildings. ...	14.95	14.55	—.40	15.12	—.57
(11) Fire Brigade ...	6.66	6.95	+.29	6.49	+.46
(12) Licensing ...	4.85	5.47	+.62	5.12	+.35
(13) Gardens and Open spaces ...	.51	.51	...	.51	...
(14) Markets and Slaughter Houses ...	13.38	15.20	+1.82	13.81	+1.39
(15) Contribution from Capital Funds ...	1.40	.71	—.69	.91	—.20
(16) Extraordinary Receipts ...	1.40	7.58	+6.18	1.34	+6.24
(17) Rebate from Government on account of Urban Immoveable Property Tax ...	1.64	1.73	+.09	1.81	—.08
(18) Excess accumulation—					
(a) in the Plant & Machinery Depreciation Fund....	...	...	...	1.40	—1.40
(b) Transfer from the Net Premia Fund ...	...	...	...	...	...
Total Rs. ...	370.37	389.02	+18.65	367.66	+21.36

The main items contributing to the net increase of Rs. 18.65 over the Budget are given in para 6 of the Chief Accountant's Report.

4. *Statement of Demand, Collections and Arrears of Municipal dues as furnished by different Departments*

Department.	Net Demand including arrears.	Recoveries including adjustments.	Arrears at the close of the year.	Percentage of arrears to Demand.
1.	2.	3.	4.	5.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	
(1) Assessment and Collection Department—				
(a) Property Taxes ...	(A) 3,22,83,403 0 0	2,86,31,575 0 0	36,52,828 0 0	11.3
(b) Wheel Tax ...	(A) 15,35,823 0 0	13,68,835 0 0	1,66,988 0 0	10.9
(2) Municipal Secretary's Office ...	95 12 0	95 12 0	... ...	...
(3) Municipal Commissioner's Office...	Information not received	from the Departments concerned.		
(4) Town Duty and Election ...	(B) 63 12 0	63 12 0	... ...	...
(5) Stores Department ...				
(6) Legal Assistant ...				
(7) Water Works Department ...	Information not received	from the Departments concerned.		
(8) Victoria and Albert Museum ...				...
(9) Health Department (Including dispensaries and all Wards.) ...				
(10) Vaccination Department ...	5,963 1 0	5,152 13 0	810 4 0	13.58
(11) Malaria Office ...				
(12) K. E. M. Hospital ...				
(13) G. S. M. College ...				
(14) Conservancy Department ...				
(15) City Engineer's Department—	Information not received	from the Departments concerned.		
(a) Works Branch ...				
(b) Mechanical Branch ...				
(c) Building Branch ...				
(16) Fire Brigade ...	27,466 12 0	27,124 13 0	341 15 0	1.26
(17) Licence Department ...				
(18) Gardens Department ...	Information not received	from the Deportments concerned.		
(19) Markets Department ...				

(A) These figures are not received duly reconciled by the Departments of the Assessor & Collector and the Chief Accountant.

(B) Of Election Office only. Information regarding Town Duty Office not received.

5. *Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year.*

Head.	Final Budget Grants. 1942-43.	Actuals 1942-43.	Increase or decrease over final Budget grants, 1942-43	Actuals, 1941-42.	Increase or decrease in Actuals for 1942-43 as compared with those for 1941-42
	Rs.	Rs.	Rs.	Rs.	Rs.
I. General Supervision	14.76	11.54	— 3.22	11.40	+ .14
II. Water Works	71.83	68.12	— 3.71	68.24	— .12
III. Education—Primary	48.25	44.12	— 4.13	43.34	+ .78
IV. Education—Secondary	.35	.15	— .20	.15	...
V. Public Health Department	10.76	10.10	— .66	10.12	— .02
VI. Medical Relief and Education	27.27	25.19	— 2.08	23.82	+ 1.37
VII. Street Cleansing and Conservancy.	33.24	29.73	— 3.51	29.20	+ .53
VIII. Roads, Drains and Sewers.	67.55	62.34	— 5.21	65.49	— 3.15
IX. Mechanical	16.47	14.96	— 1.51	15.14	— .18
X. Buildings	22.90	22.53	— .37	22.82	— .29
XI. Fire Brigade	5.28	4.84	— .44	4.93	— .09
XII. Licensing	1.95	1.87	— .08	1.92	— .05
XIII. Gardens and Open Spaces	4.26	3.84	— .42	3.83	+ .01
XIV. Markets	6.76	5.93	— .83	5.30	+ .63
XV. Contribution towards Improvement Schemes ...	36.73	24.69	— 12.04	36.89	— 12.20
XVI. Provident Fund, etc.	11.36	10.61	— .75	10.67	— .06
XVII. Urban Immoveable Property Tax	.71	.48	— .23	.54	— .06
XVIII. Grain Compensation	13.52	9.73	— 3.79	3.08	+ 6.65
XIX. Grants in-aid to Public Institutions. ...	2.70	2.13	— .57	2.33	— .20
XX. Measures for Civil Defence. ...	22.33	11.56	— 10.77	...	+ 11.56
XXI. Extraordinary Measures—Removal of debris, etc. from the fallen building at Jamshetji Tata Road.	.25	.19	— .06	...	+ .19
Total ...	419.23	364.65	— 54.58	359.21	+ 5.44

The figure of actuals for 1942-43 includes debt charges amounting to Rs. 125.66 of which Rs. 18.57 were on account of Sinking Fund instalments, Rs. 37.88 of repayment of Government Loans and advances from Special Funds, Rs. 68.99 on account of interest and Rs. .22 Bank and miscellaneous charges.

The sanctioned Budget Grant (original) for 1942-43 was Rs. 374.65. The additional funds made available during the year were Rs. 8.74 on account of renewed grants and Rs. 35.84 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 419.23. Against this expenditure booked was Rs. 364.65 leaving a balance of Rs. 54.58 of which Rs. 16.73 is required to be renewed for expenditure during 1943-44, Rs. 37.85 being treated as savings on final sanctioned grants as detailed in Appendix No. 4 of the Chief Accountant's Report.

Transfers from one budget head to another without affecting the total Budget provision for the year amounted to Rs. 5.68.

Main factors contributing to decreases over the final sanctioned grants are mentioned in para 12 of the Chief Accountant's Report.

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6. *Comparative statement showing the financial position of the last five years.*

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1938-39 ...	347.67 (*a*)	334.84	12.83	...
1939-40 ...	346.56 (*b*)	347.44	...	0.88
1940-41 ...	356.31 (*c*)	359.18	...	2.87
1941-42 ...	367.66 (*d*)	359.21	8.45	...
1942-43 ...	389.02 (*e*)	364.65	24.37	...

(*a*) includes Rs. 1.15 (*b*) Rs. 1.31 and (*c*) Rs. 1.42 on account of interest on Net Premia Fund (*d*) includes Rs. 1.35 on account of interest on the Net Premia Fund and Rs. 1.40 on account of transfer of excess accumulations from the Plant & Machinery Depreciation Fund and (*e*) includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous years.

7. *Liabilities and Assets of Revenue Account.*

LIABILITIES.

	Rs. a. p.	Rs. a. p.
1. Unpaid amounts of cash and cheque bills and bills for stores.		
(*a*) Cash bills.	41,220 2 0	
(*b*) Cheque bills.	15,72,127 11 8	
(*c*) Stores (Reserve)	2,07,726 4 0	
(*d*) Stores (Capital)	*Dr.* 71,460 7 0	17,49,613 10 8
2. Reserve for grants to be renewed for meeting outstanding charges for 1942-43 and previous years.		16,73,000 0 0
3. Interest accrued but not paid.		10,84,864 0 0
4. Reserve for contribution to Improvement Schemes account falling due in 1943-44.		26,26,996 9 0
5. Stock Adjustment Account.		47 4 6
6. Deposits from contractors and private parties.		74,32,798 0 0
7. Surplus Revenue Fund.		78,24,639 1 1
Total ...		2,23,91,958 9 3

ASSETS.

(1) *Cash.*				Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
A. In current account with Imperial Bank of India							36,81,453	15	5			
B. On account of Municipal and Trust loans interest warrants payable Accounts—												
1. Imperial Bank of India.												
		Rs.	a.	p.								
(a) Municipal ...		58,022	0	2								
(b) Trust ...		40,946	12	4								
					98,968	12	6					
2. Hongkong and Shanghai Banking Corporation					3,548	15	4					
3. Chartered Bank of India, Australia and China (London)					8,520	0	0					
4. The Imperial Bank of India (Calcutta).					1,500	0	0					
								1 12,537	11	10		
C. In Office Treasury								4,52,900	3	2		
D. Investments in fixed deposits and current accounts with different local Banks ...								1,03,76,775	14	4		
											1,46,23,667	12	9
(2) *Securities.*												
A. With the Imperial Bank of India—												
(a) Municipal Account					29,97,063	10	0					
					11,439	2	0					
(b) Contractor's Account					6,76,300	0	0					
								36,84,802	12	0		
B.—In Office—												
(a) Contractor's Account								1,28,400	0	0		
											38,13,202	12	0
(3) *Stores, Stock, Advances, etc.*												
(a) Due for stores sold											16,419	6	0
(b) Stock of Stores											9,27,591	15	11
(c) Advances—												
(1) For Plant and Machinery ...								20,62,219	5	10		
(2) Other advances recoverable ...								9,48,857	4	9		
											30,11,076	10	7
								Total Rs. ...			2,23,91,958	9	3

Note:—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are excluded from the above statement and shown separately.

8. Special Funds.—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called 'The Fines Fund'.

The Position of the Special Funds as at 31st March 1943 was as under :—

Name of Fund.	Balance on 1-4-1942	Credits during the year.	Debits during the year.	Balance of Advances for Capital and other Works.	Balance in Cash and securities.	Balance on 31-3-43 (as per columns 5 and 6.)
1.	2.	3.	4.	5.	6.	7.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1. Municipal Fire and Accident Insurance Fund ...	10,83,698 0 3	54,420 5 5	3,982 15 0	4,05,654 5 0	7,28,481 1 8	11,34,135 6 8
2. Worn-out Water Mains Renewal Fund	4,750 13 3	195 11 0	.....	.....	4,946 8 3	4,946 8 3
3. Net Premia Fund	47,32,728 11 1	172 13 6	2,907 12 0	16,96,572 15 0 (*a*)	30,33,420 13 7	47,29,993 12 7
4. Provident Fund	1,98,81,595 4 6	28,27,721 1 0	25,75,102 4 0	.....	2,01,34,214 1 6	2,01,34,214 1 6
5. Fines Fund	5,12,336 4 4	43,579 15 0	30,303 14 0	62,400 15 6 (*b*)	4,63,211 5 10	5,25,612 5 4
6. Plant and Machinery Depreciation Fund ...	15,28,317 0 10	1,07,372 10 10	.....	12,26,313 10 7 (*c*)	4,09,376 1 1	16,35,689 11 8
7. Renewal of Road Surfaces Fund	24,91,204 10 11	2,25,085 7 6	1,579 15 0	8,79,518 2 0	18,35,192 1 5	27,14,710 3 5
8. Garden Fund	73,232 11 0	11,537 2 0	152 1 6	.....	84,617 11 6	84,617 11 6
9. Public Monuments Maintenance Fund... ...	1,67,745 13 0	.....	.....	.....	1,67,745 13 0	1,67,745 13 0
10. Endowments Fund	2,74,364 9 0	24,017 13 0	.....	.....	2,98,382 6 0	2,98,382 6 0
11. Hospital Fund	4,22,873 10 5	51,210 6 1	.....	.....	4,74,084 0 6	4,74,084 0 6
12. Land Sales Reserve Fund	30,56,391 12 6	81,758 1 0	4,94,664 3 11	22,25,000 0 0	4,18,485 9 7	26,43,485 9 7
13. Slum Service Fund	1,84,892 3 3	2,177 13 0	20,148 13 0	.....	1,66,921 3 3	1,66,921 3 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	68,633 10 0	19,047 0 0	15,619 0 0	.....	72,061 10 0	72,061 10 0
15. G.S.M. College and K.E.M. Hospital Research Fund	35,376 8 2	14,070 0 0	5,290 3 3	.....	44,156 4 11	44,156 4 11
16. Pre-cast Concrete Slab Pavements Renewal Fund ...	9,602 0 0	7,782 0 0	.....	.....	17,384 0 0	17,384 0 0
17. Fidelity Guarantee Insurance Fund.	3,301 12 0	5,299 12 0	32 11 0	.....	8,568 13 0	8,568 13 0
Total Rs. ...	... 3,45,31,045 6 6	34,75,447 15 4	31,49,783 12 8	64,95,460 0 1	2,83,61,249 9 1	3,48,56,709 9 2

Note:—The above statement includes item Nos. 4, 5, 9, 10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.
(*a*) includes Rs. 1,49,759-11-0 advanced for purchase of plant and machinery for the Municipal Printing Press. (*b*) Includes Rs. 5,000/- advanced to the Officer Commanding Fire Services for conducting a grain store, Rs. 45,545-10-6 advanced for grain shops for Municipal employees and Rs. 11,855-5-0 advanced to Municipal employees under Corporation Resolution No. 15 of 9-4-1942. (*c*) Includes Rs. 85,680-10-0 advanced for purchase of plant and machinery and Rs. 87,937-13-7 for meeting expenditure on levelling, metalling Private Streets.

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head.	Budget 1942-43.	Revised Estimates 1942-43.	Actuals 1942-43.	Difference between 3 and 4 (+ More) (—Less).
1.	2.	3.	4.	5.
Executed out of Loan Funds.	Rs.	Rs.	Rs.	Rs.
General Supervision	...	...	...	...
Water Works	8.64	12.57	7.06	— 5.51
Education-Primary (Buildings)	...	.39	...	— .39
Public Health	2.05	1.27	.88	— .39
Medical Relief and Education	2.74	1.50	.52	— .98
Street Cleansing and Conservancy	2.67	1.80	.74	— 1.06
Roads, Drains and Sewers	13.78	12.19	7.33	— 4.86
Mechanical	.99	1.09	.48	— .61
Buildings, Land Acquisition	1.14	1.06	.44	— .62
Fire Brigade	...	1.25	.28	— .97
Gardens	...	...	...	...
Markets	.70	.98	.73	— .25
Slum Service	2.35	.53	.19	— .34
Measures for Civil Defence	...	2.07	.01	— 2.06
Discount and other charges on Loans	.23	.25	.25	...
Plant and Machinery	.49	2.41	Cr. .06	— 2.47
Repayment of advance taken from Land Sales Reserve Fund. ...	5.50	...	...	
Total Rs. ...	41.28	39.36	18.85	— 20.51
Executed out of Trust Fund	1.01	1.03	.67	— .36
Worn out Water Mains Renewal Fund	...	.03	...	— .03
Total Rs. ...	42.29	40.42	19.52	— 20.90

Remarks:—(1) The Budget of Rs. 42.29 included Rs. .23 on account of discount and other charges on the new loan and Rs. .49 on account of purchase of new plant and machinery and Rs. 5.50 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 40.42 included Rs. .25 on account of discount and other charges on the new loan, Rs. 2.41 on account of purchase of new plant and machinery.

(3) The gross figure of actual expenditure for the year Rs. 19.52+00.54 Written off=Rs. 20.06 includes Rs. .25 on account of discount and other charges on loan and Rs. .42 on account of plant and machinery. The actuals fell short of the Budget (Rs. 42.29) by Rs. 22.23 and of the Revised Estimates (Rs. 40.42) by Rs. 20.36.

10. *Progressive Capital outlay not charged to Revenue upto the end of* 1942-43.

Service Head.	Expenditure upto 1941-42.	Expenditure during 1942-43.	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I. General Supervision	20.44	...	20.44
II. Water Works	983.51	7.06	990.57
III. Education-Primary	27.89	...	27.89
V. Public Health	15.16	.88	16.04
VI. Medical Relief	81.23	.52	81.75
VII. Street Cleansing and Conservancy	89.50	.74	90.24
VIII. Roads, Drains and Sewers	754.99	7.33	762.32
IX. Mechanical	30.98	.48	31.46
X. Buildings, Land Acquisition and Management	427.35	.44	427.79
XI. Fire Brigade	11.83	.28	12.11
XIII. Gardens	36.77	...	36.77
XIV. Markets and Slaughter Houses	81.23	.73	81.96
XV. Slum Service	6.18	.19	6.37
XVI. Measures For Civil Defence	...	.01	.01
Discount and other charges on loans	4.62	.25	4.87
Plant and Machinery	5.15	Cr. .06	5.09
Total Rs. ...	2,576.83	18.85	2,595.68
Executed out of Trust Fund	41.99	.67	42.66
Executed out of Worn-Out Water Mains Renewal Fund	9.59	...	9.59
Executed out of Buildings Fund	43.03	...	43.03
Total Rs. ...	2,671.44	19.52	2,690.96

The Capital Fund Balance Sheet exhibits on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets side by expenditure incurred to date and balance of securities and cash *vide* Appendix No. 7 of the Chief Accountant's Report.

The expenditure of Rs. 2,595.68 out of the Loans Funds shown therein includes Rs. 70.11 on account of interest paid on Capital (Development Loan) and Rs. 21.18 paid as subventions to house owners. The following are the sources from which this expenditure has been financed :—

		Rs.	Rs.
(1)	Loans from Public, Government and Special Funds.—		
	(*a*) Debt outstanding as per Chief Accountant's Report.	1,460.72	
	(*b*) Loans repaid for which credit is given to Loan Redemption Fund.	995.62	
			2,456.34
(2)	Premia on Loans		3.21
(3)	Contributions from Special Funds		8.03
(4)	,, Bai Jerbai Wadia Children's Home		7.00
(5)	,, Revenue for Loan Works Establishment		.18
(6)	,, G.I.P. Railway		3.74
(7)	,, B.P.T. for Works Establishment		1.56
(8)	,, Government for Schools Buildings...		5.00
(9)	,, Development Fund		134.32
(10)	,, Government for widening the Love Grove Bridge		.92
	Total Rs. ...		2,620.30
	Less—Assets written off		7.32*
			Rs. 2,612.98
	Expenditure upto 31st March 1943	2,595.68	
	Balance (Rs. 17,29,977-1-9)	17.30	
			2,612.98

* The amount of Rs. 7.32 includes Rs. .34 and Rs. .20 written off during the year on account of plant and machinery and subventions to house-owners respectively.

11. The position of Loan Funds as estimated in the Revised Budget for 1942-43 and as revealed by the actuals was as under :—

Loan Funds.	As per Revised Estimate 1942-43.	As per Actuals 1942-43.
	Rs.	Rs.
Opening Balance on 1st April 1942	11.42	11.42
New loan raised in 1942-43	25.00	25.00
Advance from Special Funds for purchase of plant and machinery.	2.40	.27
Total ...	38.82	36.69
Less—Expenditure.	39.36	19.39
Deficit— Surplus+	—.54	+ 17.30

Trust Fund Balance.

The balance in the Trust Fund, namely Rs. .88 was made up of the following :—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for construction of a Primary School Building.	.58
(2) Donation from Messrs. Thakordas & Co., Solicitors on behalf of their Client Bai Kailasgoveri for a dispensary near Mumbadevi	.30
Total Rs. ...	.88

12. *Debt Position.*

	Outstanding debt on 1st April 1942.	Loans raised during the year.	Loans repaid during the year.	Balance on 31st March 1943.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	581.57	.....	36.45	545.12(*a*)
(2) Public Loans ...	906.08	25.00	76.57	854.51
(3) Internal advances from Special Funds.	62.18	.27	1.35	61.10
Total ...	1,549.83	25.27	114.37	1,460.73

(*a*) Includes Rs. 9.18 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 25.27. Of this Rs. 25.00 were raised by issue of debentures reserved for the investments of the Sinking and Special Funds and Rs. 0.27 were taken as advance from the Municipal Special Funds. Amount repaid during the year was Rs. 114.37. Of this Rs. 36.45 and Rs. 1.35 were repaid from the current revenues as annual equated instalments in respect of advances taken from Government and from the Municipal Special Funds, respectively, and Rs. 76.57 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 89.10.

13. The following are the figures of outstanding debt, accumulations of Sinking Fund thereagainst and the debt charges paid out of revenue for the last five years.

Year.	Debt Outstanding.	Sinking Fund accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1938-39 ...	1,568.65	318.39	1,250.26	121.88
1939-40 ...	1,566.25	325.07	1,241.18	123.36
1940-41 ...	1,557.20	337.43	1,219.77	124.94
1941-42 ...	1,549.83	369.77	1,180.06	126.84
1942-43 ...	1,460.73	326.11	1,134.62	125.66

14. *Position of Sinking Fund.*

Balance on 1st April 1942.	Instalments paid during the year.	Interest earned on securities.	*Less*— Amount utlised for repayment of loans.	Balance at Book value of securities on 31st March 1943.
Rs.	Rs.	Rs.	Rs.	Rs.
369.77	18.57	14.34	76.57	326.11

At the Book Value of Securities, the Fund stood at Rs. 326.11 valuing the Government and other public securities at market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 348.50. Adding to this the accrued proportions of interest (not due) on the securities held in the fund as on 31st March 1943 amounting to Rs. 3.40 the total amount comes to Rs. 351.90. Against this, the amount of the theoretical valuation of the fund was Rs. 334.07.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory.*—The nominal budget deficit of Rs. .33 increased to a sum of Rs. 16.20 on the actual closing of the accounts for the year. Although the collections of Revenue and realisations of interest on the invested balances were better by Rs. 3.02 than those budgeted for they were more than set off by the reduction of Rs. 12.04 and Rs. 5.87 in the contribution paid out of the Municipal Account and by Government on account of tobacco duty, which caused a fall of Rs. 14.89 on the revenue side. The actual expenditure was more by Rs. .98 than that budgeted for due to the refund of Rs. 6.28 of excess contribution paid from Municipal Account during previous years counterbalanced by the reduced expenditure of Rs. 5.38 on repairs and maintenace, etc., work. Thus the excess of expenditure over receipts amounted to Rs. 16.20 which was transferred to Capital Account. In addition, liabilities outstanding in respect of the Renewed Grants were Rs. 3.16.

2. *Summary of Revenue transaction for the year.*

	Actuals for 1941-42.	Budget 1942-43.	Revised 1942-43.	Actuals 1942-43.
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts ...	103.55	102.17	85.33	87.28
Expenditure ...	97.68	102.50	111.54	103.48
Surplus + / Deficit — ...	+5.87	— .33	—26.21	—16.20

3. The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous year :—

Head.	Budget. 1942-43.	Actuals. 1942-43.	Increase or decrease over Budget (+) (—) 1942-43.	Actuals. 1941-42.	Increase or decrease in actuals for 1942-43 as compared with those for 1941-42. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties ...	52.57	54.12	+1.55	52.27	+1.85
(2) Contribution from the Corporation under Section 125 (2) of the Municipal Act.	36.73	24.70	—12.03	36.89	—12.19
(3) Receipts on account of tobacco duty ...	10.00	4.13	—5.87	10.00	—5.87
(4) Interest and profits on investments ...	2.50	4.01	+1.51	4.08	—.07
(5) Miscellaneous Receipts ...	.37	.32	—.05	.31	+.01
Total ...	102.17	87.28	—14.89	103.55	—16.27

4. The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year :—

Head.	Final sanctioned grants. 1942-43.	Actuals. 1942-43.	Increase or decrease over final sanctioned grants. 1942-43.	Actuals. 1941-42.	Increase or decrease in actuals for 1942-43 as compared with those for 1941-42. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
A.—Maintenance of Properties and Streets ...	27.22	17.58	—9.64	17.73	—.15
B.—Cost of Management and Establishment ...	8.53	7.59	— .94	7.6	+.53
C.—Proportionate charges on account of Municipal Supervision ...	1.39	.83	—.56	0.85	—.02
Total B and C ...	9.92	8.42	—1.50	7.91	+.51
Deduct—Charged to Capital account and General account ...	9.92	8.42	—1.50	7.91	+.51
	...	...	...	...	...
D.—Debt Charges ...	80.96	79.62	—1.34	79.95	—.33
E.—Repayment of excess amount received on account of contribution from Municipal Corporation in previous years ...	6.28	6.28	...	...	+6.28
Total ...	114.46	103.48	—10.98	97.68	+5.80

The final sanctioned grants were Rs. 114.46 comprising of :—

			Rs.
Original Budget Grant	... ...		102.50
Renewed Grants	... ...		5.29
Additional Grants	... ...		6.65
Transfers—			
Additions	... ...	1.14	
Deductions	... ...	1.12	+0.02
			Rs. 114.46

Against the final sanctioned grant of Rs. 114.46, the expenditure incurred was Rs. 103.48 leaving a balance of Rs. 10.98, out of which a sum of Rs. 3.16 is required to be renewed for expenditure during 1943-44.

5. Comparative statement showing the financial position of the last five years is given hereunder :—

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1938-39 ...	101.31	99.04	2.27	.....
1939-40 ...	104.33	99.72	4.61	.....
1940-41 ...	98.07	101.95	.....	3.88
1941-42 ...	103.55	97.68	5.87	.....
1942-43 ...	87.28	103.48	.....	16.20

6. Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department :—

	Demand including arrears.	Recoveries including adjustments.	Write off	Arrears at the close of the year.	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Permanent ...	37.38	33.12	...	4.26	11.39
2. Temporary ...	26.06	19.83	0.51	5.71	21.91

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements).

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1942-43.	Revised Estimate 1942-43.	Actuals 1942-43.	Difference between 3 and 4. More (+) or Less (—).
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes ...	23.56	14.98	5.75	— 9.23
(2) Miscellaneous ...	1.00	...	...	...
(3) Discount and other charges on Loans ...	...	...	...	...
(4) Cost of management, etc. ...	2.40	1.65	1.17	—.48
(5) Repayment of Loans ...	7.67	7.67	7.67	...
(6) Revenue Deficit ...	.33	26.21	16.20	—10.01
Total ...	34.96	50.51	30.79	—19.72

REMARKS.—The actuals fell short of the revised estimates by 39.04 per cent.

8. Progressive Capital outlay not charged to Revenue upto the end of 1942-43.

Service Head.	Expenditure upto 1941-42.	Expenditure during 1942-43.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes ...	1,759.70	6.92	1,766.62
Police Accommodation Schemes ...	91.85	...	91.85
Mill Company's Chawl Schemes ...	9.46	...	9.46
Miscellaneous ...	8.63	...	8.63
Discount on Loans and Expenses ...	14.65	...	14.65
Total ...	1,884.29	6.92	1,891.21*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule 'W' and 'X'.

The expenditure of Rs. 1,891.21 and the net revenue deficits amounting to Rs. 193.10 total Rs. 2,084.31 has been financed from the following sources :—

1. Loans from Public and Government :—			
		Rs.	Rs.
(a) Debt outstanding as on 31st March 1943 ...		1,617.89	
(b) Loans repaid for which credit is given to Loans Redemption Fund		43.50	
			1,661.39
2. Extraordinary receipts transferred from S. F. accumulations ...			25.08
3. Special Grants from Government of India ...			54.00
4. Premia on Loan (1936-37) ...			.30
5. Sale proceeds of Land and Buildings ...			426.97
			2,167.74
Less—			
Expenditure on Schemes and revenue deficits	1,891.21 *		
Revenue deficits	193.10		
		2.084.31	
Balance in Cash and Securities		83.43	
			2,167.74
9. The state of Capital Account was as under :—			
Balance on 1st April 1942. ...			86.24
Receipts, from sale of land. ...			27.98
			114.22
Less—			
Expenditure on Improvement Schemes Account ...		6.92	
Repayment of loan ...		7.67	
Deficits in General Account ...		16.20	30.79
Balance on 31st March 1943. ...			83.43

10. *Debt Position.*

	Outstanding debt on 1st April 1942.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1943.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	863.85	...	4.91	858.94*
(2) Public Loans ...	768.95	...	10.00	758.95
Total ...	1,632.80	...	14.91	1,617.89

*Out of Rs. 858.94 outstanding Government Loans, Debentures of the face value of Rs. 229.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 4.91 was repaid to Government in respect of advances taken from them out of the Current Revenue and of Rs. 10.00 to the public in respect of the loan of 1933 (from Sinking Fund Rs. 2.33 and from Capital Funds Rs. 7.67).

11. The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years :—

Year.	Debt Outstanding.	Sinking Fund Accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1938-39 ...	1,646.74	240.36	1,406.38	80.88
1939-40 ...	1,642.15	257.40	1,384.75	80.19
1940-41 ...	1,637.54	275.05	1,362.49	80.27
1941-42	1,632.79	293.47	1,339.32	79.95
1942-43 ...	1,617.89	310.39	1,307.50	79.62

12. *Position of Sinking Fund.*

Balance on 1st April 1942.	Instalments paid during the year.	Interest earned on Securities.	*Less*— Amount utilised for repayment of Loans.	Balance at book value of Securities on 31st March 1943.
Rs.	Rs.	Rs.	Rs.	Rs.
293.47	6.01	13.24	2.33	310.39

At the book value of securities, the Fund stood at Rs. 310.39. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Debentures at par, the accumulations in the Fund work out to Rs. 313.40. Adding to this accrued proportions of interest (not due) on the securities held in the Fund as on 31st March 1943 amounting to Rs. 1.23 the total amount comes to Rs. 314.63. Against this the theoretical valuation of the Fund was Rs. 269.70.

13. *Statement showing balances in Cash and Securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities. Face value.	Securities. Book value.	Total.
	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.
I.—Municipal Accounts (Proper).				
(1) Revenue account (including balances of deposits and suspense heads).	1,46,23,667 12 9	38,16,100	38,13,202 12 0*	1,84,36,870 8 9
(2) Special Funds Accounts ...	14,31,142 4 4	2,88,95,400	2,69,30,107 4 9	2,83,61,249 9 1
(3) Capital Account—				
(a) Loan Fund ... Rs. 17,29,977 1 9				
(b) Trust Fund ... 88,365 1 4				
18,18,342 3 1	8,00,039 11 1	10,19,600	10,18,302 8 0	18,18,342 3 1
(c) Sinking Fund (Municipal) ...	211 12 10	3,38,95,200 £ 25,000	3,26,11,055 11 6	3,26,11,267 8 4
II.—Improvement Schemes Account.				
(1) Capital Account ...	17,12,049 6 1	66,30,400	66,30,400 0 0	83,42,449 6 1
(2) Sinking Fund Account ...	83 5 2	3,00,28,700 £ 90,800	3,10,38,782 7 0	3,10,38,865 12 2
Total ...	1,85,67,194 4 3	10,42,85,400 £ 1,15,800	10,20,41,850 11 3	12,06,09,044 15 6

* This includes a sum of Rs. 11,439-2-0 invested out of the Surplus Cash Balance in G. P. Notes of the face value of Rs. 12,800 on Lessee's account the securities for which are included in the Contractor's securities account with the Bank.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1942.*

		Rs.	a.	p.
(*a*) Cash in Office Treasury	...	4,52,900	3	2
(*b*) Securities in Office Treasury	...	1,28,400	0	0
Total (*a*) and (*b*)	...	5,81,300	3	2
(*c*) Balance as per Pass Book	...	33,96,911	4	8
Add—Cheques paid into the Bank on 31st March 1943 to be reaslied on 1st April 1943	...	3,37,714	2	0
Rs.	...	37,34,625	6	8
Deduct—Amount of cheques delivered but not presented for payment	...	53,171	7	3
Total (*c*) Rs.		36,81,453	15	5
Grand total (*a*), (*b*) and (*c*) Rs.	...	42,62,754	2	7

15. The amounts of Cash and Securities belonging to different Municipal and Improvements Accounts were as under :—

1. *Cash.*

(A) In the Current Accounts, Interests Accounts and Fixed Deposits with the following Banks :—

Name of Bank.	Current accounts and interest accounts.	Fixed deposits.	Total.
(1) The Imperial Bank of India—	Rs. a. p.	Rs.	Rs. a. p.
(*a*) General Fund Account (*See* Bank Pass Book Reconciliation) ...	36,81,453 15 5	...	36,81,453 15 5
(*b*) Interest Warrants Payable Accounts— (*i*) Municipal Loans ...	58,022 0 2	...	58,022 0 2
(*ii*) Improvement Schemes Loans ...	40,946 12 4	...	40,946 12 4
(*c*) Current Deposit Account in respect of Sinking, Special, Surplus and Loans Funds.	4,061 4 5	...	4,061 4 5
(2) The Hongkong and Shanghai Banking Corporation. (Interest on B.I. Trust Loan Payable Account).	3,548 15 4	...	3,548 15 4
(3) The Chartered Bank of India, Australia and China. (Interest on B.I. Trust Loans Payable Account).	8,520 0 0	...	8,520 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures.	1,500 0 0		1,500 0 0
(5) The Chartered Bank of India, Australia and China ...	1,97,064 3 3	12,50,000	14,47,064 3 3
(6) The National Bank of India ...	50,054 3 3	...	50,054 3 3
(7) Lloyd's Bank, Ltd. ...	98,371 3 4	...	98,371 3 4
(8) The Central Bank of India, Ltd. ...	7,88,788 3 1	17,00,000	24,88,788 3 1
(9) The Mercantile Bank of India, Ltd. ...	3,48,044 7 0	4,00,000	7,48,044 7 0
(10) Allahabad Bank, Ltd. ...	1,47,391 7 0	15,00,000	16,47,391 7 0
(11) Eastern Bank, Ltd. ...	19,435 4 11	4,50,000	4,69,435 4 11
(12) The Bank of India, Ltd. ...	96,746 15 7	47,00,000	47,96,746 15 7
(13) The Bombay Provincial Co-operative Bank, Ltd. ...	97,046 1 0	5,00,000	5,97,046 1 0
(14) Union Bank of India, Ltd. ...	2,74,699 3 0	2,00,000	4,74,699 3 0
(15) Bank of Baroda, Ltd. ...	4,98,599 14 0	10,00,000	14,98,599 14 0
Total (A) Rs. ...	64,14,294 1 1	1,17,00,000	1,81,14,294 1 1
B) In Office Treasury			4,52,900 3 2
Total Cash Rs. ...	64,14,294 1 1	1,17,00,000	1,85,67,194 4 3

(2) *Securities.*

		Face Value. Rs.
(*a*) In Office Treasury	...	1,28,400
(*b*) (I) With the Imperial Bank of India—		
(*i*) Municipal Corporation of the City of Bombay Securities Account	...	6,61,50,000 25,500 £,25,000
(*ii*) Municipal Corporation of the City of Bombay Securities Accounts 'A' 'B' and 'C'		3,58,80,400
(*iii*) Municipal Corporation of the City of Bombay	...	6,01,100
(II) With the Chartered Bank of India Australia, and China (Bombay)	...	£,20,800
(III) With the Chartered Bank of India, Australia and China (London)	...	£,70,000
Total as per certificates	Rs. ...	10,27,85,400
	£	1,15,800
(c) Debentures with the Government of Bombay for the amount of Rs. 15 lakhs repaid to them on 31st March 1943 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 7th May 1943)	...	15,00,000
	Rs. ...	10,42,85,400
	£	1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with Bank Pass Books and Banks' certificates and found in order. In the case of the Chartered Bank of India, Australia and China (London), certificate sent by them to the Chief Accountant was accepted for verification.

(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in the safe custody of the Chief Accountant and found in order.

(*c*) Cash in office treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.

(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order. In the case of the Chartered Bank of India, Australia and China, London, certificate send by them to the Chief Accountant was accepted for verification.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(Town Council Resolution No. 1455, dated the 6th October 1879).

A reference is invited to separate letter No. M.C.A./3904/IV, dated the 21st September 1942 addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding bills of Rates and Taxes and Riot Tax on 31st March 1943.

(4) *Account of Water-marked Paper.*

The Account of Water-marked paper held in the safe custody of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,

BOMBAY, *21st September 1943.*

R. C. MEHTA.

Municipal Chief Auditor.

APPENDIX 'A'.

Statement of charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1942-43.

Sanctioning Authority	No. and date of sanction.	Particulars of charges.	Amount. Rs. a. p.
M. C.	... F/1514/SR of 25-7-1942	... Cost of sugar and tea supplied by O.C.F.S. to the staff who worked at the fallen building at Churchgate Street Reclamation. ...	264 13 0
M. C.	... F/1507/SR of 27-7-1942	... Supply of milk to the staff who worked at the fallen building at Churchgate Street Reclamation. ...	63 12 0
M. C.	... CESR/4464 of 18-8-1942	... Supply of Tea Do. do. ...	58 10 6
	Do.	... Supply of Camphor Do. do. ...	87 0 0
	Do.	... Supply of Tea Do. do. ...	22 0 9
M. C.	... C/1068/SR of 5-10-1942	... Charges for meals supplied to Fire Brigade staff on 11th September 1942 who were stationed at the K. E. M. Hospital and G. S. M. College. ...	13 2 0
M. C.	... F/2161/SR of 17-12-1942	... Distribution of cash prizes to the first three Fire Brigade crews and a Silver cup at the final trailer fire pump competition for the Fire Brigade and Auxiliary Fire Service held on 23rd December 1942 ...	183 7 0
M. C.	... SR/4056 of 22-2-1943	... Purchase of 3 copies of the book "Air Raids and Civil Defence" from Mr. L. M. Chitale, Madras. ...	22 8 0
M. C.	... CE/(1) 4/1479 of 15-2-1943	Purchase of pots for 'Paniwala' (Water-Brahmin) ...	22 10 0
M. C.	... MCBR/10 of 19-4-1943	... Municipal Printing Press for Bill on account of the cost of printing question papers, etc., and cost of stationery articles used for the H. C's. and Dy. Superintendents' Examinations. ...	94 4 0
			832 3 3
		Less—Credits received in respect of charges for 1941-42 and 1942-43. ...	501 4 3
		Total ...	330 15 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1942-43.

(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-keeper.			
	Opening Balance.	Receipts.	Total.	Issues.	Closing Balance.	Opening Balance.	Receipts.	Issues.	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
General Stores ...	3,75,898 11 1	9,86,344 11 0	13,62,243 6 1	7,95,987 7 3	5,66,255 14 10	3,60,519 10 1	9,92,976 6 0	8,89,920 15 3	4,63,575 0 10
General Stores, Surplus Obsolete	...	...	...	...	...	...	...	...	...
Line Suspense Account ...	97,203 11 10	150 0 0	97,353 11 10	2,493 15 0	94,859 12 10	97,203 11 10	150 0 0	2,493 7 0	94,860 4 10
Line Suspense Account Surplus and Obsolete ...	...	...	...	...	...	...	...	...	...
Capital Stores ...	1,90,139 8 3	3,83,477 6 0	5,73,616 14 3	3,13,224 5 0	2,60,392 9 3	1,87,456 15 3	3,85,495 0 0	3,59,835 11 0	2,13,116 4 3
Total Rs....	6,63,241 15 2	13,69,972 1 0	20,33,214 0 2	11,11,705 11 3	9,21,508 4 11	6,45,180 5 2	13,78,621 6 0	12,52,250 1 3	7,71,551 9 11
						Balance as per column 6		...	9,21,508 4 11
						Difference (a)		...	1,49,956 11 0

(a) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 1,50,469-4-0 against the grants of the different departments counterbalanced by a sum of Rs. 512-9-0 which was not taken on the Stock account in the Chief Accountant's Office.

Remarks.—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE II.

Report on the Schools Committee's Accounts.

(*Note.*—The figures in this report are in lakhs of Rupees unless otherwise expressly stated.)

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee including renewed and additional grants aggregated to Rs. 45.63. Against this the actual contribution paid to the Schools Committee amounted to Rs. 41.59. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this two sums of Rs. 1,23,712-2-5 and Rs. 705-4-3 being the amounts of unspent balance of contribution drawn by the Schools Committee for 1942-43 and balance of advance for A. R. P. Measures respectively were held by the Schools Committee as on 31st March 1943. The sum of Rs. 1,23,712-2-5 is treated as advance to the Schools Committee and Rs. 705-4-3 has been treated as expenditure against revenue grants in the accounts of the Municipal General Fund, for 1942-43.

(*Remarks* :—It was not correct for the Chief Accountant to take this as a final charge against the revenue grant for the year 1942-43 when the amount was not expended and was lying in the hands of the Schools Committee.)

2. Summary of receipts and payments for the year :—

Particulars.	Actuals 1941-42	Budget 1942-43*	Revised 1942-43	Actuals. 1942-43
1. Receipts (inclusive of opening balance) ...	41.25	47.14	42.53	42.04
2. Payments	41.05	46.94	42.33	41.84
3. Balance	.20	.20	.20	.20
4. Minimum Cash Balance.	.20	.20	.20	.20

(*As submitted by the Schools Committee.)

Lapsed Grants.—The amount of the lapsed grants estimated to be renewed during the year 1943-44 aggregated to Rs. .93. The amount of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt Charges, New Works, Medical Inspection of School Children, etc., amounted to Rs. 2.91 which when added to the sum of Rs. 41.84 brings the total expenditure on the Primary Education of the City to Rs. 44.75.

3. The following is a summary of receipts under different heads :—

	Rs.
Contribution from Municipal General Fund	41.59
Fees from Municipal Schools	.18
Interest on Trust, Endowment Funds and Deposits	.06
Miscellaneous Receipts	.01
Total Rs.	41.84

4. The following statement gives transactions of the School Committee's accounts for the last five years :—

Year	Receipts including opening balance	Expenditure	Closing Balance.
	Rs.	Rs.	Rs.
1938-39	35.34	34.94	.40
1939-40	37.09	36.89	.20
1940-41	40.43	40.23	.20
1941-42	41.25	41.05	.20
1942-43	42.04	41.84	.20

5. The total assets and liabilities of the School Fund on 31st March 1943 as shown in the Balance Sheet were as under:—

Assets.	Rs.	a.	p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of face value of Rs. 1,99,900 ...	1,99,897	10	0
2. Deposit with the Chief Accountant, Bombay Municipality for Provident Fund Investments ...	34,18,188	1	0
3. Advances and deposits recoverable—			
(a) Advances to Officers ... Rs. 533 0 0			
(b) Advances to Teachers ... 2,998 8 0			
(c) Deposit with the Garrison Engineer water charges ... 5 0 0	3,536	8	0
4. Deposit in Court in a rent suit ...	34	0	0
5. Cash Balances—			
(a) With the Imperial Bank of India 2,16,321 13 5			
(b) In Office Treasury 343 12 9	2,16,665	10	2
Total ... Rs.	38,38,321	13	2

Item 4.—The amount had been ordered by the Court to be adjusted against Court Cost but had remained to be so done during the year.

Liabilities.	Rs.	a.	p.
1. Advances from the Chief Accountant on account of—			
(a) Unspent balance of Municipal Contribution held in the School Fund ... Rs. 1,23,712 2 5			
(b) Balance of Advance for A. R. P. Measures ... 705 4 3	1,24,417	6	8
2. Sundry Deposits—			
(a) Schools Committee's Employees' Co-operative Credit Society ... Rs. 27,826 9 0			
(b) Miscellaneous Deposits ... 27,298 1 6			
(c) Unclaimed wages for Schools and Office ... 10,803 9 3			
(d) Unclaimed Rent ... 3,243 7 0			
(e) From Contractors ... 1,575 0 0			
(f) For Income Tax recoveries ... 91 7 0			
(g) For Court Attachment recoveries ... 75 4 0			
(h) For Rent recoveries at the instance of the Estate Agent and Land Manager ... 68 7 0	70,981	12	9
3. Trust Scholarships and Prize Funds—			
(a) Investments of the face value of Rs. 1,99,900-0-0 ... Rs. 1,99,897 10 0			
(b) Cash ... 11,338 9 3	2,11,236	3	3
4. Provident Fund ...	34,11,686	6	6
5. Statutory Balance ...	20,000	0	0
Total ... Rs.	38,38,321	13	2

Item No. 2 (f)—No details are available in respect of the sum of Rs. 91-7-0 being the recoveries on account of income tax through paysheets for previous years. The amount was outstanding since long and was being carried forward from year to year. It has since been sent to the Municipal Treasury as unclaimed deposit (*vide* Voucher No. 7 of 11-7-1943).

6. *Donations.*—Securities for Rs. 15,000 in addition to Rs. 2,400 included in the Balance Sheet pertaining to the Jerajbhai Peerbhai Girls' School Trust Fund are held by the Reserve Bank of India. The Schools Committee does not hold any safe custody receipt for the same. The matter is under correspondence between the Government and the Schools Committee (*vide* Corporation Resolution No. 820 of 3-12-1942).

7. *Provident Fund.*—The following irregularities still exist in the Provident Fund Accounts :—

(*i*) A difference of Rs. 6,501-10-6 appearing between the assets and liabilities sides in the Schools Committee Employees' Provident Fund in the annual balance sheet of the Schools Fund since the year 1928-29.

(*ii*) A deficiency of Rs. 6,825-2-0 in the Schools Committee's Provident Fund Investment Account with the Chief Accountant due to the liabilities of the Fund not having been ascertained formerly by preparing a summarised statement of the balances of the Employees' individual accounts.

(*iii*) The balance of the Provident Fund Account shown in the School Fund Balance Sheet does not agree with the balance shown in the Chief Accountant's books due to the interest allowed on the individual accounts of the subscribers and shown on the Chief Accountant's books not having been included in the account maintained by the Schools Committee.

8. During the year a sum of Rs. 1,180-5-0 on account of the excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, provident fund advances etc. covering about 28 cases, was ordered to be recovered from the staff out of which Rs. 1,155-9-0 covering 24 cases have been recovered leaving 4 cases for Rs. 24-12-0 for which replies are awaited. Various other omissions and inaccuracies were detected in the course of test-audit some of which have been got rectified and other are under correspondence. As pointed out in the previous audit reports more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is necessary.

9. Government grant received during the year was Rs. 9,45,000 for primary education and Rs. 5,750 for training institutions. As pointed out in the previous audit reports estimated rent for schools located in buildings built at Municipal cost or donated by public is not assessed and charged to the School Fund and consequently it is not included in the figures of cost of Primary Education, although under Schools Committee Resolution No. 1332 of 22-12-1941, the Superintendent of Accounts was desired to show the rent of buildings constructed at Municipal cost on the expenditure side of the School Fund Budget.

10. Arrears of School fees on 31st March 1943 as certified by the Secretary, Schools Committee, were Rs. 3,754-13-0. Out of this Rs. 2,331-5-0 have since been written off as irrecoverable (*vide* Standing Committee Resolution No. 376 of 23-6-1943).

11. The cash balance of Rs. 343-12-9 was counted and found correct. The reconciled balance in the Bank as per Cash Book *viz.*, Rs. 2,16,321-13-5 was examined with the Bank Statements and the certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1941-42 and 1942-43 and detailed audit remarks on the Schools Committee's Accounts are appended hereto marked respectively appendix A and appendix B.

14. Appendix C gives month by month the position of the number of teachers to pupils. These figures have been supplied by the Secretary, Schools Committee.

15. In order to avoid wrong or excess payments the necessity of obtaining certificates from the Head Masters of the Schools as to the occupation of the premises before the rent bills are paid is being stressed in the audit reports from year to year. But the suggestion has not been given effect to so far.

MUNICIPAL OFFICES,

BOMBAY, *21st September 1943.*

R. C. MEHTA,

Municipal Chief Auditor.

APPENDIX 'A.'

Comparative statement showing the expenditure incurred by the Schools Committee during 1941-42 and 1942-43.

Particulars.	Expenditure.		Increase.	Decrease.
	1941-42.	1942-43.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Head Masters and Teachers ...	24,19,850 5 6	22,87,785 0 0	.....	1,32,065 5 6
Servants ...	1,91,684 6 0	1,82,947 9 0	.....	8,736 13 0
Rents ...	6,27,836 13 4	5,90,398 10 9	.....	37,438 2 7
Class Books for Teachers ...	1,037 6 3	582 10 9	.....	454 11 6
School furniture ...	32,339 0 0	20,612 14 0	.....	11,726 2 0
School Contingencies ...	30,815 8 3	32,296 7 9	1,480 15 6	.....
Scholarships ...	5,012 13 0	5,187 0 0	174 3 0	.....
Special Expenses in Schools ...	9,629 0 0	12,383 9 8	2,754 9 8	.....
Magazines for Schools ...	888 4 0	1,156 5 0	268 1 0	.....
Sewing and Drawing ...	3,969 15 6	599 8 0	.....	3,370 7 6
Uniforms and Umbrellas ...	2,644 14 0	11,591 14 0	8,947 0 0	.....
Printing and Stationery ...	15,017 13 0	19,375 13 0	4,358 0 0	.....
Miscellaneous Expenses ...	7,481 0 6	10,410 12 5	2,929 11 11	.....
Sports ...	999 5 6	151 12 0	.....	847 9 6
Local Committees ...	879 0 3	876 1 9	.....	2 14 6
Visual Instruction ...	156 1 0	...	.....	156 1 0
Sloyd and Handicrafts ...	9,061 7 2	10,468 10 6	1,407 3 4	.....
Boy Scouts and Girl Guides ...	12,123 3 7	14,440 13 9	2,317 10 2	.....
Audit Establishment Charges ...	5,000 0 0	5,275 4 0	275 4 0	.....
Grain Compensation ...	51,595 5 0	1,77,746 8 0	1,26,151 3 0	.....
Stipends to Teachers ...	14,427 6 0	1,10,479 14 0	96,052 8 0	.....
Superintendents and their Establishments ...	98,120 15 6	1,07,947 1 6	9,826 2 0	.....
Grants-in-Aid to primary schools ...	1,89,856 0 0	2,16,459 0 0	26,603 0 0	.....
Teachers' Library ...	2,486 0 0	2,657 9 0	171 9 0	.....
Superintendent, Aided Schools ...	7,153 11 6	7,715 5 6	561 10 0	.....
Census Establishment ...	42,312 8 6	27,856 14 6	.....	14,455 10 0
Pensions and Gratuities ...	1,20,599 1 0	1,37,055 2 0	16,456 1 0	.....
Municipal Contribution towards Provident Fund ...	1,79,282 6 0	1,70,445 14 0	.....	8,836 8 0
Repairs to School Buildings ...	11,476 6 0	6,844 0 0	.....	4,632 6 0
Free Reading Rooms and Libraries ...	11,571 1 9	11,496 8 9	.....	74 9 0
Stock Verifier's Establishment ...	...	907 8 0	907 8 0	.....
Total Rs. ...	41,05,307 2 1	41,84,152 1 7	3,01,642 3 7	2,22,797 4 1

APPENDIX 'B'.

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads :—

I.—Revenue and Receipts.
II.—Recoveries of excess or wrong payments, as well as the dues left unrecovered for unduly long periods.
III.—Extra measures resulting in new recurring and non-recurring commitments.
IV.—Internal audit and control.
V.—Non-observance of Municipal Service Regulations.
VI.—General.

I.—Revenue and Receipts.

M.C.A. 3403/II
5-2-1943.

Receipt No. 505 of 4-6-1942 of the Ladies' Library for Rs. 5 was accounted for in the books for Rs. 3 only. On being pointed out by Audit the balance of Rs. 2 was brought to account.

M.C.A. 3024/II
20-8-1942.

A sum of Rs. 22-8-0 realized by the sale of music books on 20th June 1942 was remitted to office on 30th June 1942 after detaining it for 10 days. The Assistant Librarian who was responsible for this pleaded ignorance of the rules and promised to follow the correct procedure in future.

M.C.A. 2522/II
23-12-1941.

A reference was made to the Secretary, Schools Committee, for recovering the charges for the use of electric lights from the teachers who were allowed to use the schools premises for study purposes, out of school hours. The charges amounting to Rs. 2-2-0 have since been recovered.

M.C.A. 3546/II
25-3-1943.

A reference was made to the Secretary, Schools Committee, for recovering charges for consumption of electricity which were in arrears for about 3 months from the Special Literacy Officer, Chief Fire Guard and Divisional Warden. The charges have since been recovered.

M.C.A. 3517/II
17-3-1943.

In the statement of fees received by the Secretary, Schools Committee's Office, for the quarter ending 31st December 1942, there was an omission of Rs. 15 in respect of fees of the Gujarati and Hindi Schools. According to the usual procedure, the statement was forwarded to the Superintendent who certified it as correct and returned to the Office. It is surprising to note that after verifying the school account of fees, the mistake of Rs. 15 which may be in respect of fees of a number of students could remain undetected by him. This shows the unreliable nature of the verification work done by the Superintendent.

M.C.A. 3275/II
14-12-1942.

It was suggested to the Secretary, Schools Committee, that the quarterly statement of fees should show the amount of arrears for the previous quarter, current fees, fees recovered, amount written off, if any, and the outstandings. No reply is still received.

M.C.A. 3240/II
24-11-1942.

A sub-tenancy in the Gujarati Girls' School at Princess Street was found running in arrears of rent from April to September 1942. In reply to the audit query the department stated that the tenant left on 19th April 1942, but the rent was left running on the register. The explanation given to Audit that the vacancy report could not be traced is not satisfactory. For the future the Secretary, Schools Committee, has agreed to the audit suggestion that no sooner a vacancy or occupancy takes place the head office should receive proper vacancy or occupancy report from the heads of the schools.

M.C.A. 2618/II
20-2-1942.
M.C.A. 2710/II
31-3-1942.
M.C.A. 2943/II
16-7-1942.
M.C.A. 3138/II
2-10-1942.

Cases of remittances delayed by several years by certain Head Mistresses in respect of realisations from sewing articles covered by these notes have been separately reported to the Standing Committee (*vide* Standing Committee Resolution No. 1013 of 14-10-1942) and the matter is under their disposal.

M.C.A. 2206/II
13-8-1941.

As reported last year no recovery was effected of the charges for use of electric lights recoverable from the Akhil Karnataka Sewa Samiti for holding their night classes in the school premises. The Secretary, Schools Committee, replied to the audit reference that the party argues that there was no condition for payment of electric charges but efforts were still being made to effect the recovery. Result is awaited.

M.C.A. 2203/II
13-8-1941.

The non-recovery of charges for electric lights from the authorities of a night school from October 1940 was reported last year. A sum of Rs. 39-6-0 has since been recovered and a further amount of Rs. 15-4-0 still remains unrecovered. Reply is awaited.

M.C.A. 2192/II
12-8-1941.
&
E/2721
20-8-1942.

It was suggested to the Secretary, Schools Committee, that in order to get full benefit of the Government Grant-in-aid for the training institutions, necessary adjustments may be made in the accounts of these institutions for the proportionate charges for rents, taxes, etc. The matter was also discussed with the Secretary, Schools Committee. Nothing has however been so far done in the matter.

No final reply to the audit reference made in 1940 regarding certain arrears of rents omissions to obtain Schools Committee's sanctions for the sub-lettings, etc, has yet been received from the Department.

M.C.A. 1523/II
27-11-1940.

As reported last year, rent amounting to Rs. 80 is outstanding from a sub-tenant in respect of the year 1938. As a result of audit reference the Schools Committee (Resolution No. 704, dated the 13th August 1941) requested the Municipal Commissioner to take legal steps but the matter appears to be still under correspondence. If the matter is allowed to drift from year to year before filing suit there is danger of the claim becoming time-barred and would have to be written off as was done for a sum of Rs. 200 from another sub-tenant (*vide* Standing Committee Resolution No. 1058 of 19-11-1941).

M.C.A. 1201/II
28-6-1940.

For the premises sub-let to Anjuman-i-Islam no tenancy deposit was taken as required by Schools Committee Resolution No. 1326 of 22nd December 1941 and the letting was also not taken on the demand register of rent.

M.C.A. 3267 II
11-12-1942.

Needful is got done.

II.—Statement of recoveries of excess or wrong payments as well as the dues left unrecovered for unduly long periods.

(*a*) The following cases of excess or wrong payments as well as the dues left unrecovered for unduly long periods were noticed and recoveries effected thereof.

Serial No.	Case No. and date.	Name.	Particulars.	Amount.
				Rs. a. p.
1	MCA/2735/II of 8-4-1942	... Dinkar Venkat	... Duty allowance paid during leave period ...	1 7 0
2	MCA/2713/II of 2-4-1942	... Special Attendance Officer	... Payment of Rs. 0-3-0 was entered in the Imprest Book as Rs. 0-4-0 ...	0 1 0
3	MCA/2736/II of 8-4-1942	... A. J. Avsare	... Leave salary paid at Rs. 56-9-0 instead of at Rs. 56-3-0 ...	0 2 0
4	MCA/2843/II of 21-5-1943	(*a*) Pandurang Ramchandra Jadhav.	Payment of provident fund advance in excess of 60 per cent. of the subscription ...	6 0 0
		(*b*) Y. D. Rege ...	Do. ...	17 0 0
		(*c*) Jayram Ramji Shinde	Do. ...	9 0 0
		(*d*) I. S. Bagwan ...	Do. ...	20 0 0
5	MCA/2846/II of 22-5-1942	Asmabi Zowje Sayed Abbas	... Payment made at full pay when the leave was sanctioned at half average pay ...	1 0 0
6	MCA/2841/II of 20-5-1942	... Purshottam Shankar	... Acting peon paid for 1 day on 28th February although the permanent peon had resumed duty on that day ...	0 15 0
7	MCA/2901/II of 24-6-1942	... Jaywanti Sakharam Vairat	... Scholarship paid when the student was absent	0 8 0
8	MCA/3026/II of 20-8-1942	... Shantaram Gopal Khatkul	... Carpentry allowance paid during leave period	3 5 0
9	MCA/2522/II of 23-12-1941	(*a*) K. Y. Patankar	... Recoveries on account of electric charges which had been foregone. ...	0 10 0
		(*b*) Y. V. Khanvilkar ...	Do. ...	0 10 0
		(*c*) V. D. Joshi ...	Do. ...	0 7 0
		(*d*) K. S. Agharkar ...	Do. ...	0 7 0
10	MCA/3099/II of 15-9-1942	... Mrs. Manoramabai Malandkar	... Girl Scout allowances paid during leave period	16 2 0
11	MCA/3098/II of 15-9-1942	... P. D. Sawant	... Handicraft allowance paid during the leave period ...	4 10 0
12	MCA/3172/II of 20-10-1942	Khilafat Daily	... Double payment of subscription ...	18 0 0
13	MCA/3272/II of 12-12-1942	Miss Harinabai Shinde	... Double payment of increment owing to the note of the first payment not having been taken on the original paybills ...	0 15 0
14	MCA/3306/II of 2-1-1943	... Balkrishna Sinha	... Excess payment of grain compensation allowance ...	0 8 0
15	MCA/3347/II of 21-1-1943	... Mr. A. V. Keer	... Payment made at full pay instead of at average pay during leave period ...	1 11 0
16	MCA/3346/II of 21-1-1943	... Shankar Keshav Patankar	... Short recovery of the excess payment of grain compensation allowance ...	0 3 0
17	MCA/3403/II of 5-2-1943	... Librarian, Ladies' Library	... A receipt for Rs. 5 was accounted for in the account book for Rs. 3 only ...	2 0 0
18	MCA/3266/II of 11-12-1942	Shankar Narsinh Shirgurkar	... Increment paid from a date earlier than due	0 6 0
19	MCA/3305/II of 2-1-1943	... Sukha Ravji Sisodia	... Salary for the same period paid twice ...	3 11 0
20	MCA/2282/II of 25-9-1941	... Narayan K. Lad	... Custodian's allowance drawn without performing the duties ...	16 0 0
21	MCA/2828/II of 14-5-1942	... D. N. Puranik	... Excess payment of provident fund advance	955 0 0
22	MCA/3268/II of 11-12-1942	(*a*) Maganlal Kikabhai	Interest on provident fund account allowed in excess ...	0 6 0
		(*b*) D. W. Joshi ...	Do. ...	20 13 0
		(*c*) Ramchandra Balkrishna Karkhanis.	Do. ...	0 2 0
23	MCA/2256/II of 16-9-1941	... Bawla Orphanage	... Bus charges due since 18-5-1941 ...	14 4 0
24	MCA/2203/II of 13-8-1941	... Authorities of the Night School meeting in the Vithalbhai Patel Road Marathi Girls, School.	Electric charges due since October 1941 ...	39 6 0
			Total ...	1,155 9 0

(*b*) The following cases of excess or wrong payments were noticed and reported for which no replies have so far been received :—

Job.—1268

Serial No.	Case No. and Date.	Name.	Particulars.	Amount.
				Rs. a. p.
1	MCA/2618/II of 20-2-1942	... Head Mistress, Lord Harris Marathi Girls' School.	Balance of the sale proceeds of sewing articles sold in 1928 ...	2 0 0
2	MCA/1431/II of 4-10-1940	... Furniture Removing Contractor...	Excess amount paid for removing furniture of two Schools of five classes each ...	3 0 0
3	MCA/1536/II of 29-11-1940	Do.	Excess amount paid for removing furniture of three schools ...	4 8 0
4	MCA/2203/II of 13-8-1941	... Authorities of Night School meeting in the Vithalbhai Patel Road Marathi Girls' School.	Electric charges due since July 1941 to December 1941	15 4 0
			Total ...	24 12 0

III.—Extra Measures resulting in new recurring and non-recurring commitments.

(1) Prior to 1932 the Schools Committee had "Teachers' Promotion Rules". Under these rules, if a teacher obtained *de novo* a trained teacher's certificate or a higher training certificate than he possessed, he was given the annual promotion in such a manner that he received in the course of four annual promotions and by equal instalments if possible the salary equal to the one which he would have got, if he had possessed the said *de novo* or higher training certificate from the very beginning of his service.

The above rule was obviously most extraordinary, seeking to give with retrospective effect the benefit of of an advantage which in fact was earned much later and was therefore rescinded with effect from 1st April 1932. Since then the usual rules of increments as embodied in the Municipal Service Regulations were made applicable to the Committee's staff, on the basis of the service rendered in each grade. It appears, however, that due to various changes made during the intervening period in the percentage of trained teachers and due to change in the policy of giving facility to the teachers to get themselves trained from time to time several anomalies occurred in salaries of the teachers by which teachers with longer service but having passed the examination later were found drawing less salaries than those who were trained earlier. The Committee on the recommendation of the Corporation under their Resolution No. 863 of 14-2-1942 have again adopted under their Resolution No. 1008, dated the 15th December 1942, the following rules.—

(1) That in order to remove the existing anomalies in service and the disparities in salaries, the salaries of those teachers who are not getting the pay which they ought to have got according to their total length of service according to the grade in which they are serving at present, be adjusted in such a way in their present grades that teachers who are thus placed in the grades with the adjusted salaries will, in the ordinary course of things, get their maximum salaries hereafter on completion of 20 years' service by regular annual increments without at any time the Commitee being required to resort to the measure of granting premature increments in their respective grades.

(2) That in future teachers should not be allowed to serve on a salary less than what they are entitled to draw according to their training certificates and if at all any discrepancies arise by which they could not be paid salaries according to qualifications, such discrepancies should be removed by granting them their proper salaries on or from the date of their confirmation in service. This will necessarily help the teachers to reach the maximum of their grades on completion of 20 years' service on which the grades of salaries are based. In case there were no vacancies in the cadre of trained teachers to be paid the trained teachers' salary the necessary sanction of the Corporation be obtained.

(3) That the provisions of clause No. 1 above be made applicable to all those teachers who are permanent in service on 1st July 1942, while clause No. 2 should govern all other cases of teachers

These rules, with slight changes seem to be similar to the former "Promotion Rules" whereby a teaher gets the salary of a grade which he earns late in service by passing examination on the basis of his entire service in the Municipality including the service put as un-trained teacher. It appears from the Committee's proceedings of 6th January 1943 that the annual increase in cost of the Schools Committee's Establishment due to these rules is about one lac rupees. These rules are contrary to the rules of annual increments contained in the Municipal Service Regulations (under which increments are earned only by actual duty rendered in the grade) which are based on sound principle and practice of establishment and promotions adopted for Government and Municipal services. As, however, the adjustments of salaries as per rule 1 above have been made in order to set right the anomalies which occurred in the past, as desired by the Corporation the introduction of rule 2 for adjusting the salaries from time to time in future whenever any teahcer passes 1st or 2nd grade examination taking into consideration the entire service put in by him even as un-trained teacher does not appear to be a scund proposition. It may be remarked that the principle of giving maximum of the grade irrespective of the period of service put in that grade during 20 years is nowhere to be found in the establishments of Government and is likely to result in the increase of un-economical expenditure in the Committee's establishment.

(2) The number of teachers eligible for trained teachers' grade was fixed at 50 per cent. in the year 1934 (*vide* Corporation Resolution No. 10743 of 12-3-1934). During the year the Corporation by their Resolution

No. 122 of 7-5-1942 raised that percentage to 60 on the recommendation of the Schools Committee on the ground that there was an increased tendency amongst the teachers now-a-days to acquire qualifications and many of the teachers possessing the trained teachers' qualifications did not get chance for trained teachers' grade. The above policy involves an additional recurring expenditure of approximately Rs. 57,840 per year.

The percentage was further raised temporarily during the year to 65 under Corporation Resolution No. 654, dated the 15th October 1942, in order to give trained teachers' salary to about 80 teachers on the ground that they could have got such salary under the 60 per cent. scale if a number of temporary teachers had not been relieved due to abnormal fall in the number of pupils during the year.

Later on a new rule has been introduced under Corporation Resolution No. 31, dated the 8th April 1943 whereby in case there are no vacancies in the trained teachers' cadre according to the 60 per cent. limit, the trained teachers' salary may be paid to such teachers after obtaining sanction of the Corporation. It seems that under this resolution every trained teacher may be paid trained teachers' salary after obtaining the necessary sanctions of the Corporation.

This together with the policy of the Schools Committee to insist on every teacher to get himself trained may shortly make the Schools Committee's Schedule almost entirely made up of trained teachers with trained teachers' salaries. This object is no doubt praiseworthy but the financial aspect of the matter requires timely consideration.

(3) While adopting the annual budgets the Standing Committee express a desire that in the interest of economy the Schools Committee may keep a proportion of 1 teacher to 40 pupils but the adoption of this proportion is being postponed from year to year. During the year also special sanction of the Corporation was obtained (*vide* Corporation Resolution No. 531, dated the 17th September 1942) for lowering the scale of 1 teacher from 40 pupils to 35 on the ground of excess number of teachers due to abnormal fall in the number of pupils. In order to absorb this excess number of teachers the application of the shift system of the Marathi Boys' and Gujarati Girls' Schools was also suspended. In addition extra training classes were opened. Due to the engagement of the permanent staff in this way as stated above new extra teachers had to be taken. Consequently the proportion of teachers engaged during the year is 1 teacher for 20 pupils and the average cost per pupil is Rs. 54.4 which shows an increase of Rs. 18.2 on that of the previous year.

(4) *Grant of old grades and advance (unearned) increments.*

The Corporation under their Resolution No. 819 of 4th March 1935, have decided a policy as a measure of economy that the new entrants should be paid the salary of the revised grades of the class of cadre in which they are appointed. The Municipal Service Regulations also provide that increments in time scales of pay are earned only by the duty rendered by the employees in the particular grades and advance or unearned increments should only be given under exceptional circumstances justifying grant of personal pay to a Municipal servant *i.e.*, seldom if ever. Hereunder are the instances of breach of those measures of economy and control of expenditure adopted by the Corporation.

(*a*) The grade fixed for the post of Special Attendance Officer at Rs. 175—10—225 *plus* Rs. 30 conveyance allowance was improved to Rs. 225—15—300 in the year 1939 and Mr. D. K. Ghanekar, Assistant Superintendent, drawing Rs. 270 *plus* Rs. 50 special allowance, was appointed to it with effect from 14th August 1939 on the maximum of Rs. 300 instead of on Rs. 285 oridnarily admissible to him. Again during the year under report on the representation made by him the Schools Committee under their Resolution No. 1062 of 15-12-1942 further improved it to Rs. 300—20—400 (which is the scale of the old grade of the Superintendents) and Mr. Ghanekar was started at Rs. 360 in that grade. Thus the cost of the Special Attendance Officer's post has been increased from Rs. 175—10—225 to Rs. 300—20—400 and the incumbent has been started each time on a pay higher than that admissible to him, on the ground that he possessed experience of the post.

(*b*) The grade of the Superintendent of Urdu Girls' Schools was Rs. 225—15—300 to which Mrs. S. W. Ahmed was appointed on 1st December 1937 and one year thereafter at the time of confirming her in the appointment she was given the maximum of Rs. 300 in that grade with effect from 1st January 1939. Again during the year under report on a representation made by her the grade was revised to the old scale of Superintendent's grade, *viz.*, Rs. 300—20—400 and she was started in that grade at Rs. 320 with effect from 1st March 1943 (*vide* Schools Committee Resolution No. 1370 of 3-3-1943).

(*c*) Under Corporation Resolution No. 934, dated the 7th January 1943, the control of the Municipal Libraries was sanctioned to be transferred from the Schools Committee to the Municipal Commissioner with effect from 1st March 1943. However, before effecting actual transfer the Schools Committee under their Resolution No. 2182, dated the 27th January 1943, revised the grades of 2 librarians from the new scale of Rs. 40—2—60—3—90 to the old grade of Rs. 60—2—100 on the representation made by the librarians concerned on the ground that the new entrants drawing the revised scale were also doing the same work as the old entrants drawing the old scale and therefore it was necessary to remove the disparity between the two scales. Disparity of such a nature does exist in almost all departments of the Municipality in many cases of old and new entrants who are working side by side on the same jobs.

(5) *Stipends to teachers under training.*

The amount of stipends paid during the year to teachers undergoing training was Rs. 1,10,479-14-0 as against Rs. 14,427-6-0 paid during the previous year. The reasons for this abnormal increase in the expenditure for stipends are as follows :—

(*a*) Due to abnormal fall in the number of students one of the measures taken to absorb the superfluous staff of teachers was to open new training classes and to send the teachers for training.

(*b*) The rate of stipends which was Rs. 25 per month was raised to Rs. 30 as from 1st September 1942, but in the month of March 1943 the Schools Committee under their resolution No. 1416, dated the 3rd March 1943, increased the amount to Rs. 35 payable as from 1st September 1942 retrospectively.

Following are the instances of passing salary bills twice over :—

(1) An employee was already paid his salary for the period from 27th June 1942 to 30th June 1942 through the usual monthly paysheet but the Head Master forwarded a supplementary bill for the same period and the office also passed off the same second time. The amount has, however, been recovered at the instance of Audit.

M.C.A. 3395 II
2-1-1943.

(2) The salary bills of a teacher in Parel Central Marathi Boys' School for the period from 1st January 1942 to 13th February 1942 were passed through the usual paysheets but the amounts remained unpaid on account of the absence of the teacher. The Head Master submitted a supplementary bill and that too was passed for payment by the office. The amounts of the previous bills which were held in deposit were subsequently transferred back to the grant.

M.C.A. 3345 II
20-1-1943.

(3) A part-time Morning Class Teacher in North Worli Marathi Boys' School was duly charged for the period from 1st January 1942 to 30th January 1942 in the usual paybill. But as he did not receive payment due to absence, a supplementary paysheet was submitted by the School and passed by office as in item (2) above.

M.C.A. 3345 II
20-1-1943.

Inspite of the checks and counter checks existing the passing off of such mistakes at all the stages suggests laxity somewhere in the link of checks.

Errors and omissions usually found in the paybills are as follows :—

(1) Dates of increments due, dates of resumption of duty from leave, details of leave, sanctions, etc., not noted in the paybills passed.

M.C.A. 3216/II
12-11-1942.
M.C.A. 3296/II
23-12-1942.
M.C.A. 3399/II
5-2-1942.
M.C.A. 2599/II
10-2-1942.

(2) Nature of allowances such as personal allowance, duty allowance, conveyance allowance, etc., not stated in the paybills.

(3) Variations in the notes of effective periods in the paybills and in the absentee statements.

(4) Paysheets not stamped "Paid" after payment.

(5) Certificates for payments made not signed by the Cashier when the payments are made in office.

(6) Recoveries of excess payments not noted in the paybills.

(7) Notes of supplementary paybills passed not taken in the usual monthly paybills.

(8) Usual certificates "Charges not previously passed" not endorsed on the supplementary paybills.

(9) Charges once passed in the paybill for a month are credited in full back to the grant if leave questions of the employees are pending at the time of making payment and fresh bills are being passed when sanctions are obtained, instead of holding back the payments and crediting the amounts to the unpaid wages deposit account in the meanwhile.

Many of the excess payments and irregularities are due to these defects.

A teacher was paid her leave salary before sanction to leave was obtained as stated last year. This was explained to be due to delay caused in obtaining sanction by the office. Payment before sanction should not be made under any circumstances.

M.C.A. 2395/II
12-11-1941.

In a paybill the salary of a teacher was passed for Rs. 11-13-0 but the amount extended in the payment column through error was Rs. 11-3-0 *i.e.*, As. 10 short. However, the totals of the columns of the paybill were cross tallied. The error was corrected on being pointed out by Audit. This suggests that the columns of the paybills were not independently totalled and checked, but the figure in the last column was taken only by additions and deductions of the totals of other columns. The staff doing such short work should be properly warned.

M.C.A. 3127/II
30-9-1942.

An employee who resigned from Municipal service on 14th March 1942 was charged in the paybill for the full month of March. Subsequently the excess was credited to the unclaimed wages deposit account. Reply to audit reference is awaited.

M.C.A. 3073/II
8-9-1942.

The following defects and irregularities were noticed in the accounts of advances made for direct purchases, etc., to officers :—

M.C.A. 3163 II
16-10-1942.
&
M.C.A. 3200/II
6-11-1942.

(1) Undue delay occurred in rendering the account.

(2) The officers submitting the account did not give any certificates as to receipts of materials, rates, etc., under their signature.

(3) The accounts as rendered by the officers were not submitted to the Secretary, Schools Committee, for approval before they were admitted in the accounts.

(4) Particulars of conveyance expenses not fully given.

Necessary instructions have since been issued by the Secretary, Schools Committee, to the officers concerned.

M.C.A. 3201 II
6-11-1942.
&
M.C.A. 2425 II
20-11-1941.

(1) In the bills rendered by the Supervisor, Handicrafts, in respect of the advances of Rs. 1,304 and Rs. 20 there were no certificates that the materials were received, the materials were not taken on any register showing the receipts of goods and issues thereout, no approval of the Secretary, Schools Committee, was obtained on the bills before they were admitted in the accounts.

Reply to audit reference is awaited.

(2) In another case Audit enquired as to the circumstances under which the Supervisor of Handicrafts had purchased timber worth Rs. 479-14-9 out of the advance given to him from the market direct instead of through the Municipal Central Stores. In reply the Supervisor explained that his work of teaching and examining students required timber of sizes, etc., of his selection, that the timber supplied by the Central Stores was not of the approved nature, etc.

This has been referred to the Commissioner for remarks. The Supervisor should not have made the purchases direct from the market without satisfying himself in each case that the materials were not available or of the required kind with the Central Stores, and that they could not be purchased by invitations of open quotations through office.

M.C.A. 3128/II
30-9-1942.

A sum of Rs. 6 was taken as an advance by the Supervisor, Handicrafts, on 25th November 1941 for erecting a name board of a school. No account was found rendered for this upto 30-9-1942, when Audit made a reference. The Supervisor carried out the work in December 1942, *i.e.*, more than a year after the money was received explaining that the work was delayed through oversight. Holding of cash for the work was a constant remindera nd the plea of oversight for such a long period is likely to be misunderstood in many ways.

Funds drawn on the last day of the year for payment during the next year.

M.C.A. 3020/II
20-8-1942.

(1) The Carpentry Examination of the students was held on 13th April 1942, *i.e.*, in the year 1942-43. However, for out of pocket expenses in connection with the examination a sum of Rs. 100 was drawn as an advance from the School Fund on 31st March 1942 out of the grant for the previous yeaf. Obviously, the sum of Rs. 100 was taken out from the School Fund grant instead of its being allowed to lapse and was utilized during the next year.

The account of this advance was rendered by the Supervisor of Handicrafts on 2nd September 1942 after a delay of about 5 months when Audit made a reference to the department.

M.C.A. 2968/II
27-7-1942.

(2) School premises of Islampura Urdu Boys' School were under repairs for which the Schools Committee passed orders that no rent should be paid for the period of repairs (*vide* Schools Committee Resolution No. 1557, dated the 11th February 1942). However, a cheque for Rs. 330 for rent for three months ending February 1942 was drawn on 31st March 1942 and the amount was kept in deposit. It was explained that the amount was drawn out from the School Fund for payment of the sum actually due pending decision of the question in order to avoid lapse of grant.

Such transfers from the previous years' grant for next years' expenditure or payment in the next year are not according to the provisions of the Act and should not be allowed to recur.

M.C.A. 1113/II
13-5-1940.

This is a reference of the year 1940-41 under which it was enquired as to why slates worth Rs. 496 were purchased by the Special Attendance Officer without inviting quotations and without obtaining Schools Committee's sanction for the rates and a sum of Rs. 1,250 was advanced at the fag end of the financial year from the School Fund *i.e.*, on 28th March 1940, to the Supervisor of Handicrafts for repairs to school furniture. In the second case the funds of the previous year were taken out from the grant to meet expenditure during the next year and that too for payment direct by the Supervisor of Handicrafts instead of through the office.

No reply is still received.

M.C.A. 2458/II
2-12-1941.

To ensure against omissions or double payments of charges sanctioned and incurred, opening of a sanction register was suggested by Audit which has been printed but not yet introduced by the office.

M.C.A. 2885/II
17-6-1942.

In certain bills passed for payment, the irregularities such as delays from 4 to 11 months, omissions of certificates for receipt of goods and rates, meeting of current charges from the renewed grant for the previous years etc., were noticed and pointed out to the Secretary, Schools Committee who has issued necessary instructions to the officers and staff concenerd to avoid them in future.

The result is being watched.

M.C.A. 3543/II
24-3-1943.

On the basis of the estimates of cost for various articles, implements, staff, etc., prepared and approved for the scheme of Gujarati, Urdu and Hindi Male Teachers' Training Classes, purchases were made by the department taking the sanction to approval of scheme as sanction for purchases as well. It was intimated to the Secretary, Schools Committee that sanction to a scheme or estimate or a provision in the budget therefor by itself is no sanction to make purchases which requires approval as to the qualities, quantities and rates, etc.

Reply is awaited.

Out of the sum of Rs. 500 sanctioned by the Schools Committee under Resolution No. 298, dated the 11th June 1941 for trying certain experiment in teaching a bill for Rs. 200 was found paid for certain purchases. The Secretary, Schools Committee, being requested to state whether quotations were called for before making the purchases, explained that the Chairman himself had put the order after making personal enquiries and that there were no papers. It may be noted that all orders for incurrence of expenditure should be in writing either under the signature of the Secretary or of her subordinate officers duly empowered.

M.C.A. 2902 II
24-3-1942.

Following irregularities were noticed on a test-check of the Imprest Accounts of the Department :—

M.C.A. 2728 II
6-4-1942.

Imprest Account with the Secretary's Office.

(*a*) Cash balances of the advance taken from the Chief Accountant and that from the School Fund were not separately maintained.

(*b*) Cash in hand was in excess by Re. 0-7-6.

(*c*) Proper sanction for miscellaneous expenses was not obtained.

(*d*) A sum of Rs. 42-11-0 was paid between 16th March 1942 and 23rd March 1942 for which there were no sanctions. The amount also was not entered in the cash book as and when paid.

(*e*) There were no discharges of the receipients for tramfare paid to peons.

(*f*) Separate gharry hire was found charged by each of the clerks who used to attend the bank to cash cheques at the same time.

Imprest Account at the Teachers' Library.

(2) A sum of Rs. 5-3-0 was found short in the cash on hand and it was explained to be due to the amount of recoupment of expenses received from the office being not taken on account by the clerk who was on leave from the next day. He pleaded that even after resumption of leave he could not take it on the account due to the pressure of work.

M.C.A. 3545/II
25-3-1943.

Needful has been got done.

Imprest Account with the Boy Scout Department.

(3) No conveyance vouchers were prepared and discharges obtained thereon from day to day. At the end of the month one bill was prepared and signatures of all the employees concerned were obtained. At the instance of Audit the practice has been discontinued and the vouchers are being prepared, discharges obtained and the imprest book written up daily.

M.C.A. 2714/II
2-4-1942.

Imprest Account with the Special Attendance Officer.

(4) In addition to some errors and omissions of a routine nature an item of expenditure for printing 133 diary books got printed by the Officer himself directly, was found paid out of the imprest. It was intimated to the Secretary, Schools Committee that the imprest money should not be spent for such purposes and the printing work should be got done through the Municipal Printing Press.

M.C.A. 2713/II
2-4-1942.

Imprest Account with the Supervisor, Handicrafts.

(5) (*a*) Cash was short by Rs. 7-9-9.

M.C.A. 2715/II
2-4-1942.

(*b*) Cash book not kept in the usual printed form.

(*c*) There was no cash box to keep the imprest cash separate in office.

(*d*) Vouchers not signed by the Supervisor.

(*e*) No postage book was kept. The shortage in cash was explained by the Supervisor to be due to the amount of recoupment having remained in his pocket through oversight. It has been made good by him.

Imprest Account with the Superintendent, Aided Schools.

(6) (*a*) Shortage of pies nine found in the postage account was made good by the clerk.

M.C.A. 2723/II
2-4-1942.

(*b*) No security was fixed for the clerk for keeping the imprest money. This has since been done.

On audit reference necessary instructions have been issued by the Secretary, Schools Committee, to persons concerned to keep their accounts and cash in order.

The following payments were found made without obtaining necessary discharge :—

(1) Salary to a peon in Sion Marathi Boys' School.

M.C.A. 3338/II
15-1-1943.

M.C.A. 3518/II
17-3-1943.

M.C.A. 3120/II
28-9-1942.

(2) Provident Fund Advance to an employee.

(3) Salary to a lady teacher in a Marathi Girls' School.

The following are cases of irregular operation of current budget grants :—

(1) The Mechanical Engineer's bills for 1938-39 charged to the budget grant for 1940-41 in the claim bill
M.C.A. 1537/II submitted to the Chief Accountant. This was disallowed and necessary additional grant was
29-11-1940. obtained.

(2) A sum of Rs. 22 for purchase of clocks during 1939-40 was debited to renewed grant of 1940-41 in
M.C.A. 2886/II the year 1941-42. It was explained that formerly there was no system of asking for additional
17-6-1942. grant for previous year's bills received late, etc.

(3) A sum of Rs. 22-10-6 for charges pertaining to 1940-41 was paid out of the renewed grant for 1941-42
M.C.A. 3199/II
6-11-1942. in the year 1942-43.

(4) A sum of Rs. 2-8-0 for 1940-41 was debited to the grant for 1941-42.
M.C.A. 3126/II
30-9-1942.

(5) A sum of Rs. 27-5-0 for Halkhore Taxes for the period from 1st October 1940 to 31st March 1941
M.C.A. 2947/II
16-7-1942. was debited to the grant for 1941-42. Needful was done at the instance of Audit.

It has been intimated to the department that strict adherence to the proper system of debiting only the current expenditure to current grants should be observed.

In this connection it appears from case No. M.C.A. 2887/II of 17-6-1942 that certain bills are delayed in the office for over a year before being taken on the books. Such a procedure is likely to cause such irregularities. The Secretary, Schools Committee, has since written to say that care will be taken in future.

On report made by the Municipal Chief Auditor to the Standing Committee (*vide* Standing Committee Resolution No. 1013, dated the 14th October 1942) for delayed remittances of sale proceeds of sewing articles by the Head Mistresses to the Schools Committee's office, the Department has issued a circular to the schools to remit all moneys received by them immediately. However, the following cases of late remittances have since come to notice :—

(1) Sale proceeds of sewing articles delayed by Head Mistress of Kalachowki Marathi Girls' School from
M.C.A. 3390/II
3-2-1943. 11th December 1942 to 12th January 1943.

(2) Sale proceeds for December 1942 were remitted on the 30th January 1943 by th Head Mistress,
M.C.A. 3457/II
25-2-1943. Kalbadevi Municipal Marathi Girls' School.

(3) Unpaid balance of salary was returned by a Head Master to office after 10 days. As a result of Audit
M.C.A. 3330/II
9-1-1943. reference the Head Master was warned.

In many pension bills the months and amounts of the bills were found changed without proper
M.C.A. 3122/II authentications from the persons concerned. On an audit reference necessary instructions
28-9-1942 were issued to the staff.

A standing advance of Rs. 100 granted to Printing Class Teacher at Foras Road was adjusted on 29th
M.C.A. 2969/II September 1941 by debiting the amount to contingencies, but the vouchers for the expendi-
27-7-1942. ture of Rs. 100 have not been produced for audit. The Secretary has been requested to do the needful early and advise. No reply is yet received.

Defects and omissions noticed in the subsidiary registers were as under :—

(1) *Sub-Tenants Register* (*a*) Vacancies not noted in the register.
M.C.A. 3027/II
20-8-1942.

(*b*) In two cases tenancy deposits were not obtained.

(*c*) The recoveries from April to August 1942 made through paybills were not found posted.

(*d*) Sanctions to grants of tenancies not quoted.

(*e*) Entries not attested by the Superintendent of Accounts.

Needful has since been done.

(2) Register of deposits for Court attachments and for rents recovered on behalf of the Estate Agent's
M.C.A. 3121/II Department was not kept in a proper form so as to verify the total of individual recoveries
28-9-1942. outstanding at the end of the year with the figure in the ledger.

Reply to audit reference is awaited.

M.C.A. 3460 II
25-2-1943.

For irregularities noticed in the accounts of the libraries conducted by the Schools Committee (now transferred to the Commissioner) a special report has been made to the Standing Committee. (*vide* Standing Committee Resolution No. 1898 of 3rd March 1943).

M.C.A. 3418 II
12-2-1943.

A note has also been forwarded to the Secretary, Schools Committee, in connection with the irregularities in the accounts of the Mominpura Library. It has been intimated to the Secretary, Schools Committee, that the persons responsible for the irregularities in the accounts of the Libraries *viz.*, the Superintendents of the Marathi, Guljrati, Urdu, etc., Schools have to give proper explanations.

Reply is awaited.

M.C.A. 2828/II
14-5-1942.

An excess payment of Rs. 955 for Provident Fund advance to a teacher was reported to the Standing Committee (*vide* Standing Committee Resolution No. 261 of 20th May 1942). The excess amount has since been recovered.

M.C.A. 3245 II
2-12-1942.

Certain part-time sweepers getting Rs. 6 to Rs. 10 per month for working in different schools are allowed in addition grain compensation allowance in the paybills of the respective schools.

It is necessary to see that these part-time sweepers are not working in any other department of the Municipality and drawing grain compensation allowance there too. A list of such employees has therefore been sent to the Secretary, Schools Committee, for enquiry and report.

Reply is awaited.

M.C.A 3274 II
16-7 1942.

Grain compensation allowance paid to the employees of the Training Institutions is being debited to the general grant for grain compensation allowance. As, however, the expenditure on training institutions ranks for a separate government grant, the Secretary, Schools Committee, has been advised to show this expenditure properly under the training institutions.

M.C.A. 3164/II
16-10-1942

No certificate for an advance outstanding on 31st March 1942 in the name of Head Master, Tamil Class, Colaba, was obtained. The Secretary, Schools Committee, explained that the Head Master of the Class absconded and the amount had since been adjusted in March 1943.

M.C.A. 3268/II
11-12-1942.

On a test-check of the Provident Fund Accounts as at 31st March 1942, a sum of Rs. 100 for Municipal contribution was found credited more in one account and less in another. Interest was allowed more by Rs. 20-13-0 in one case and by as. 8 in two cases.

In ten other cases it was allowed less by Rs. 11-9-0. Necessary adjustments have since been made.

M.C.A. 3265/II
11-12-1942.

No account showing the opening balance of cheques on hand, cheques drawn, cheques issued and cancelled and the closing balance was being maintained. The Superintendent of Accounts being instructed in the matter the necessary register has since been opened.

M.C.A. 2848/II
27-5-1942.

The maximum casual leave allowed to a Municipal employee is 20 days. A case was, however, noticed where a sewing mistress of the Urdu Girls' School had enjoyed casual leave for 51 days. This shows laxity in granting casual leave if it can at all be termed casual. If the procedure of stating the previous casual leave enjoyed by the employee, each time he applies for casual leave, had been in existence, this occurrence would not have taken place. The Schools Committee have treated 31 days' leave enjoyed in excess as leave without pay (*vide* Schools Committee's Resolution No. 1012 of 15th December 1942).

M.C.A. 2905/II
24-6-1942.

No credit slips were being prepared for the following transactions.

(*a*) Amounts received in the School Fund Account.

(*b*) Amounts credited or debited to the School Fund Account by the Bank direct in respect of stamps, interest realised on Securities Account.

(c) For transfers made by journal entries.

The system of keeping proper slips has since been introduced as suggested by Audit.

M.C.A. 3544 II
25-3-1943.

A sum of Rs. 4-8-0 found in excess after making payment of the salary bills in office on 8th January 1943 was not taken on the accounts till 11th March 1943. The matter was also not reported to the Secretary, Schools Committee.

The Superintendent of Accounts has been instructed that in future such excesses should be brought to the notice of the Secretary, Schools Committee, immediately and that they should be taken on the books.

M.C.A. 3023/II
28-8-1942.

Under voucher No. 3377 of 12th March 1942 for Rs. 29-11-0 a sum of Rs. 7-10-0 has been paid on account of wharfage.

Papers showing the circumstances under which the wharfage had to be paid were called for but not yet received.

M.C.A. 2728 II
28-4-1942.

As reported in the previous audit reports proper account of the sale proceeds of the articles put in the annual exhibitions is not being rendered by the Supervisor of Handicrafts by showing the articles put in the exhibition, the articles sold and the articles left unsold. Audit reference sent to the Secretary, Schools Committee, on 28th April 1942, in this connection, is not yet replied to.

Irregularities in the accounts of the Binding Class were duly reported in the audit reports for 1940-41 and 1941-42. It was further noticed that :—

M.C.A. 1042/II
19-4-1940
&
M.C.A. 2777/II
28-4-1942.

(1) The pupils and the teacher were paid for binding work done from 27th July 1941 to 14th September 1941 but the account thereof was not found submitted to office when it was examined in April 1942.

(2) In July 1941 a sum of Rs. 34 was sent to office but the details thereof called for by the office do not seem to have been supplied.

(3) New cash memos were printed but the old ones were not found cancelled.

(4) No vouchers were prepared for conveyance and miscellaneous expenses.

(5) No cash memos were found prepared for a sum of Rs. 55-7-0 received between 11th July 1941 and 28th March 1942.

(6) Most of the cash memos and vouchers were not signed by the Head Master.

(7) Out of the total purchases of Rs. 264 made by the Head Master a sum of Rs. 207-8-6 was spent obtained.

for purchasing binding cloth, etc., for which no quotations for rates were invited and no sanction Thus there appears to be no check whatsoever over the moneys spent for the binding class. No annual account of receipts, expenditure and net profit is also made out.

The account of the commission of 10 per cent paid to the Head Master on the net receipts is also not verified. In these circumstances it is necessary that at least weekly supervision is exercised over the accounts (which should be kept in proper form) by some responsible officer and the accounts should be duly rendered and checked by the Superintendent of Accounts at fixed periods.

V. Non-observance of the Municipal Service Regulations.

The security of Rs. 250 fixed for the teacher in charge of the Schools Committee's Printing Press (*vide* Corporation Resolution No. 902 of 7th January 1943) at the instance of Audit is not yet taken from him or even from his substitute during the period of his leave.

M.C.A. 1701/II
18-2-1941.

Under the Municipal Service Regulations Section VI Municipal employees called on Military duty have to refund to the Municipal Fund the pay and allowances other than conveyance allowance that they draw from Government before they draw full pay from the Municipal General Fund. A case having come to notice where no recovery of the pay and allowances drawn by an employee from the Military Authorities was effected by the Schools Committee's Office, the Secretary, Schools Committee, was requested to furnish a list of employees who were on Military duty during the previous periods. Such a list being furnished, the Secretary, Schools Committee, was further requested to get proper information from the Military Authorities as to the pay and allowances drawn from them by the employees in the list. No reply to this has still been received inspite of several reminders.

M.C.A. 858/II
23-2-1940.

Certain peons were allowed pay of the acting appointments during the period of vacation. It was pointed out that the employees in the Vacation Department were treated as on duty during the vacation and no active duties are required to be performed and there can be no acting appointments during that period.

M.C.A. 457/II
20-7-1939.

No reply is received although 3 years have since passed.

Certain rooms on the ground floor of the Gilder Tank Building are allowed to be used by the Schools Committee's Employees' Co-operative Credit Society, Ltd., free of rent since 1934 and an electric charge at Rs. 2 per month is being recovered from them for the use of electric lights. It was suggested to the Secretary, Schools Committee, that as the Bank was making decent profits a reasonable rent should be charged to the Society and a separate meter for the electric lights should be fixed. The matter was therefore placed before the Schools Committee who under their resolution No. 20 of 21st April 1943 decided that no rent should be charged to the Society. As regards the meter the B.E.S. & T. Co., have informed to the Secretary that the Services Department of the Local Government had refused permission to provide a meter or a sub-meter to the office of the Society.

M.C.A. 3514/II
17-3-1943.

As reported last year the balance of interest received from Bai Jivkore Lallubhai Scholarship and Prize Fund left after payment of scholarships was being credited in the previous years to the School Fund. According to the terms of the donation this sum should go to the corpus of the fund. The Secretary, Schools Committee, was, therefore, requested to do the needful to set the matter right. Accordingly an additional grant of Rs. 4,478 has been obtained (*vide* Corporation Resolution No. 294 of 8th July 1943) from the surplus cash balance for adjusting the amount of excess interest belonging to the fund and credited to revenue during the past years.

M.C.A. 3736/II
30-6-1943.
&
E/6520
8-1-1943.

It may be remarked that the capital of the fund has gone beyond all expectations and only a very small portion of its income is being utilised towards the objects of the fund. It has therefore been suggested to the Secretary, Schools Committee, that if possible, the terms of the agreement should be changed with the consent of the donors to enable the annual income to be utilised towards some additional good objects.

It was noticed that the cash balance in hand far exceeded the security of Rs. 2,000 fixed for the post of the Cashier in the Schools Committee's Office. The matter was taken up with the Secretary and as a result the security of the post has since been increased to Rs. 3,000 (*vide* Corporation Resolution No. 207 of 14th June 1943).

M.C.A. 3048/II
31-8-1942.

A sum of Rs. 12 had to be paid for testing, wiring, etc., on account of reconnecting the meter at the Zaoba's Wadi, Marathi School, which was cut off by the B. E. S. & T. Co., for non-payment of the bill in time. The Secretary, Schools Committee, has been requested to state what steps were proposed to be taken to prevent recurrences of this type. Reply is awaited.

M.C.A. 3021/II
20-8-1942.

The instalments of Court attachments are recovered by the Schools Committee's Office from the employees in cash at the time of payment of their salaries instead of deducting them from the paybills of the employees. The Secretary, Schools Committee, has been requested to state why the procedure of making these recoveries by deductions from paysheets followed by all departments of the Municipality should not be followed by them. Reply is awaited.

M.C.A. 2876/II
12-6-1942.

It may be recalled that in the year 1941-42 the Schools Committee had paid by debit to the expenditure grant Rs. 40 for supply of clothing to poor students which according to legal opinion was illegal as it was not covered by any of the provisions of the Municipal Act or of the Bombay Primary Education Act. It was, therefore, objected to in audit and on the advice of the Municipal Commissioner the amount was sanctioned to be written off by the Standing Committee. As the Corporation had not declared any charge on the members of the Schools Committee in this respect and the expenditure was already written off by debit to final grant, there was no question of its write off again. The Schools Committee, therefore, requested the Standing Committee to get the payment condoned by the Corporation as suggested by the Municipal Chief Auditor and to set the matter at rest. However, that suggestion did not meet with their approval and the correspondence was recorded (*vide* Standing Committee Resolution No. 441, dated the 7th July 1943).

M.C.A. 2469/II
3-12-1941.

It may be remarked that the Municipal Chief Auditor is not in a position to agree to the write off orders passed by the Standing Committee for such illegal payments made out of the final grants without a charge being declared therefor by the Corporation on the members of the Schools Committee. The only right course in such matters is condonation by the parent body *i.e.*, the Corporation on their being satisfied that the authorities had acted in the best interest of the Corporation while making the payments which were found to be illegal. An instance of this will be found in the Corporation Resolution No. 128, dated the 5th May 1941 whereunder illegal employment of and payment of salaries to Municipal servants inadvertantly made by the departments under the Commissioner after their attainment of 55 years of age which the statutory rules do not permit were condoned by the Corporation.

Another sum of Rs. 57-9-0 has again been found paid by the Schools Committee's office for the same purpose under voucher No. 3833 of 31st March 1942. No reply to audit reference for this has yet been received.

The salary of a custodian was withheld for an alleged theft of certain gymnastic articles from the compound of the school and subsequently found paid. The Secretary, Schools Committee, was therefore requested to state whether all the missing articles had been received back but no reply has yet been received.

M.C.A. 2394/II
12-11-1941.

As reported last year the furniture removing contractor was given an order to remove furniture from a school which was already removed previously and paid Rs. 4 There was also an excess payment of Rs. 3. No reply to audit reference sent to the Secretary, Schools Committee, in 1940 is yet received inspite of several reminders.

M.C.A. 1431/II
4-10-1940.

No reply is yet received from the Secretary, Schools Committee, in connection with the payment of extra allowances in addition to the special teachers' grade salaries paid to three lady teachers for teaching special subjects.

M.C.A. 457/II
17-9-1941.

This year as usual the lists of outstanding audit notes are not attached owing to scarcity of paper.

APPENDIX "C"

Pupils and Teachers in Municipal Schools 1942-43.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total	Infants.	Other standards.	Total									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st March 1942.															
Marathi Schools	19,383	44,814	64,197	323	1,280	1,603	1,968	197	1,771	...	1,771	168	...	100	
Gujarati Schools	4,950	10,293	15,243	83	295	378	458	31	427	...	427	49	...	37	
Urdu Schools	7,467	8,960	16,427	125	256	381	432	33	399	...	399	18	...	34	
Rest	1,807	2,831	4,638	30	82	112	132	8	124	...	124	12	...	6	
Total ...	33,607	66,898	1,00,505	561	1,913	2,474	2,990	269	2,721	...	2,721	247	...	177	
As on 1st April 1942.															
Marathi Schools	16,237	37,390	53,627	271	1,068	1,339	1,940	181	1,769	...	1,769	420	...	90	
Gujarati Schools	4,084	8,246	12,330	68	235	303	457	27	430	...	430	127	...	34	
Urdu Schools	7,167	8,429	15,596	119	240	359	430	32	398	...	398	39	...	39	
Rest	1,827	2,733	4,560	31	78	109	131	8	123	...	123	14	...	3	
Total ...	29,315	56,798	86,113	489	1,621	2,110	2,958	248	2,710	...	2,710	600	...	166	
As on 1st May 1942.															
Marathi Schools	15,798	31,010	46,808	264	886	1,150	1,913	123	1,790	...	1,790	640	...	15	
Gujarati Schools	3,831	6,537	10,368	63	186	249	456	18	438	...	438	189	...	31	
Urdu Schools	7,130	7,988	15,118	119	228	347	426	23	403	...	403	56	...	17	
Rest	1,774	2,527	4,301	30	72	102	131	7	124	...	124	22	...	5	
Total ...	28,533	48,062	76,595	476	1,372	1,848	2,926	171	2,755	...	2,755	907	...	68	
As on 1st June 1942.															
Marathi Schools	All schools were closed for the Summer Vacation in the month of May 1942.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st July 1942.															
Marathi Schools	8,321	29,948	38,269	139	748	887	1,656	118	1,538	...	1,538	651	...	125	
Gujarati Schools	2,381	6,775	9,156	40	169	209	409	22	387	...	387	178	...	27	
Urdu Schools	5,182	9,578	14,760	86	238	324	366	46	320	...	320	...	4	59	
Rest	951	2,867	3,818	16	72	88	104	6	98	...	98	10	...	29	
Total ...	16,835	49,168	66,003	281	1,227	1,508	2,535	192	2,343	...	2,343	839	4	240	
As on 1st August 1942.															
Marathi Schools	8,751	30,537	39,288	146	763	909	1,650	220	1,430	...	1,430	521	...	120	
Gujarati Schools	2,185	6,004	8,189	37	150	187	408	59	349	...	349	162	...	23	
Urdu Schools	5,409	9,426	14,835	91	236	327	380	51	329	5	334	2	...	46	5 teachers appointed
Rest	889	2,106	2,995	14	52	66	118	39	79	2	81	13	...	4	2 teachers appointed from 1—8—42.
Total ...	17,234	48,073	65,307	288	1,201	1,489	2,556	369	2,187	7	2,194	698	...	193	
As on 1st September 1942.															
Marathi Schools	8,992	30,541	39,533	214	872	1,086	1,645	226	1,419	...	1,419	333	...	107	
Gujarati Schools	2,261	6,029	8,290	49	172	221	406	62	344	...	344	123	...	31	
Urdu Schools	5,599	9,177	14,776	93	230	323	378	51	327	...	327	4	...	48	
Rest	911	2,005	2,916	15	58	73	120	39	81	...	81	8	...	7	
Total ...	17,763	47,752	65,515	371	1,332	1,703	2,549	378	2,171	...	2,171	468	...	193	
As on 1st October 1942.															
Marathi Schools	10,369	30,709	41,078	297	877	1,174	1,642	381	1,261	...	1,261	87	...	125	
Gujarati Schools	2,544	6,165	8,709	54	176	230	406	71	335	...	335	105	...	31	
Urdu Schools	5,790	8,756	14,546	97	220	317	380	52	328	...	328	11	...	44	
Rest	999	2,015	3,014	17	57	74	119	40	79	...	79	5	...	2	3 teachers appointed.
Total ...	19,702	47,645	67,347	465	1,330	1,795	2,547	544	2,003	...	2,003	208	...	202	

APPENDIX "C"

Pupils and Teachers in Municipal Schools 1942-1943.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st November 1942.															
Marathi Schools	10,954	31,256	42,210	313	893	1,206	1,637	428	1,209	...	1,209	3	...	97	
Gujarati Schools	2,699	6,348	9,047	57	182	239	406	83	323	...	323	84	...	22	
Urdu Schools	5,897	8,761	14,658	99	219	318	378	51	327	...	327	9	...	36	
Rest	1,080	2,073	3,153	18	52	70	119	37	82	...	82	12	...	5	
Total ...	20,630	48,438	69,068	487	1,346	1,833	2,540	599	1,941	...	1,941	108	...	160	
As on 1st December 1942.															
Marathi Schools	12,472	32,388	44,860	356	925	1,281	1,623	436	1,187	...	1,187	...	94	103	
Gujarati Schools	3,048	6,637	9,685	87	190	277	405	86	319	...	319	42	...	37	
Urdu Schools	6,646	8,895	15,541	111	222	333	374	52	322	...	322	...	11	29	
Rest	1,134	2,108	3,242	19	54	73	118	37	81	...	81	10	2	10	
Total ...	23,300	50,028	73,328	573	1,391	1,964	2,520	611	1,909	...	1,909	52	107	179	
As on 1st January 1943.															
Marathi Schools	12,879	31,563	44,442	214	902	1,116	1,616	425	1,191	...	1,191	75	...	113	
Gujarati Schools	3,785	6,956	10,741	108	198	306	402	87	315	...	315	9	...	39	
Urdu Schools	7,044	8,685	15,729	117	217	334	377	52	325	...	325	...	9	38	
Rest	1,244	2,089	3,333	22	51	73	119	37	82	...	82	9	...	4	
Total ...	24,952	49,293	74,245	461	1,368	1,829	2,514	601	1,913	...	1,913	93	9	154	
As on 1st February 1943.															
Marathi Schools	13,596	31,926	45,522	226	913	1,139	1,613	425	1,188	...	1,188	49	...	125	
Gujarati Schools	3,961	7,174	11,135	86	205	291	401	85	316	...	316	25	...	39	
Urdu Schools	6,830	8,294	15,124	114	208	322	384	51	333	...	333	11	...	32	
Rest	1,273	2,052	3,325	22	51	73	119	37	82	...	82	9	...	6	
Total ...	25,660	49,446	75,106	448	1,377	1,825	2,517	598	1,919	...	1,919	94	...	202	

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. M.C.A.3904/IV of 1943-44.

BOMBAY, *21st September 1943.*

FROM

R. C. MEHTA, Esquire, F.S.A.A., R.A.,
MUNICIPAL CHIEF AUDITOR,
BOMBAY.

To

THE MUNICIPAL SECRETARY,
BOMBAY.

RE.—OUTSTANDING BALANCES OF RATES AND TAXES ON 31st MARCH 1943.

Sir,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879, and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal rates and taxes, Additional General (Riot) Taxes, Urban Immoveable Property Tax, Street number plates and Meter hire which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1943. The details of the outstanding amounts from year to year pertaining to different Wards are given in the Statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1943 under differen t heads are summarised below :—

Particulars.	No. of Bills.	Amount.	Remarks.
		Rs. a. p.	
(*a*) Property Taxes including Wheel Tax.	16,074	23,82,494 2 3	Exclusive of Urban Immoveable Property Tax amounting to Rs. 7,05,553-0-0.
(*b*) Meter Hire ...	115	2,875 12 0	
(*c*) Street Number Plates ...	157	327 8 0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act.	...	14,37,321 7 10	
(*e*) Additional General Tax No. V.	150	6,540 15 0	
(*f*) Additional General Tax No. VI.	5	60 13 0	
(*g*) Additional General Tax No. VII.	30	106 11 0	
(*h*) Additional General Tax No. VIII.	3	28 9 0	
(*i*) Additional General Tax No. X.	311	33,646 7 7	
(*j*) Additional General Tax No. XI.	35	178 6 0	
(*k*) Additional General Tax No. XII.	220	6,810 15 6	
(*l*) Additional General Tax No. XIII.	38	983 7 0	
(*m*) Additional General Tax No. XIV	125	222 11 0	
(*n*) Additional General Tax No. XV.	5,116	61,061 6 6	
(*o*) Urban Immoveable Property Tax.	*	7,05,553 0 0	* The number of bills outstanding for Urban Immoveable Property Tax are included in the number of bills shown under item (*a*) above.
Total ...	22,379	46,38,212 3 8	

(2). The outstanding balances under (*a*), (*b*), (*c*) and (*d*) above as compared with those of the previous year were as follows:—

No.	Particulars.	Outstanding on 31st March 1942.	Outstanding on 31st March 1943.
		Rs. a. p.	Rs. a. p.
1	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	16,92,563 2 10	14,37,321 7 10
	(*b*) Government (Property Taxes) ...	3,187 11 0	1,04,248 4 0
2	Bombay Port Trust ...	343 12 0	876 13 0
3	Bombay Municipal Corporation (Improvements) ...	7,882 1 0	12 624 5 0
4	G. I. P. Railway ...	...	18,862 13 0
5	B. B. & C. I. Railway ...	2,15,019 11 0	84,269 3 0
6	Mills ...	15,455 7 0	4,285 8 0
7	Other rate payers ...	20,25,177 2 1	21,57,327 4 3
	Total Rs. ...	39,59,628 14 11	38,19,815 10 1
8	Meter Hire ...	2,727 4 0	2,875 12 0
9	Street Number Plates ...	1,778 0 0	327 8 0
	Grand Total Rs. ...	39,64,134 2 11	38,23,018 14 1

1. (*a*) The sum of Rs. 14,37,321-7-10 payable by the Government for the period 1934-35 to 1940-41 in connection with the medical and educational institutions will have to be treated as cancelled in view of the High Court decision exempting the said properties from payment of General Tax.

(*b*) This amount is in respect of Water & Special Halalkhore charges for Government properties covered by the award.

2. The sum of Rs. 876-13-0 is in respect of the Special Halalkhore Tax due from the Bombay Port Trust.

3. The taxes amounting to Rs. 12,624-5-0 due by the Bombay Municipal Corporation (Improvements) is a matter of departmental adjustment which should have been effected before closing the accounts.

4. Out of the amount of Rs. 18,862-13-0 a sum of Rs. 18,776-2-0 has been received and the balance of Rs. 86-11-0 is outstanding due to some dispute regarding water charges.

5. The amount of Rs. 84,269-3-0 due from the B. B. & C. I. Railway was outstanding on account of the dispute in respect of the assessment for three years 1934-35 to 1936-37 which has now been settled.

6. Out of Rs. 4,285-8-0 a sum of Rs. 3,808-2-0 is due from the Premier Mills pending disposal of the appeal against the value and the balance of Rs. 477-6-0 is due from other Mills.

7. The outstandings of Rs. 21,57,327-4-3 from the general rate-payers consist of Rs. 5,50,000-0-0 involved in suits filed and to be filed, Rs. 30,000-0-0 due from the Court Receiver and Rs. 4,00,000-0-0 for amended bills issued in March 1943, and the balance of Rs. 11,77,327-4-3 which is 4.9 per cent. of the demand of Rs. 2,39,00,000 made on them, is explained by the Assessor & Collector as falling within the control of the staff. It may, however, be noted that owing to the undue delay occurring in filing suits in the initial stages the amount involved in suits has increased from Rs. 2,86,000 in 1939-40 to Rs. 5,50,000 in 1942-43.

(3) Number of bills and amounts outstanding on account of Property and Wheel Taxes from year to year were as under:—

Year.	No. of Bills.	Outstanding on 31st March 1942.	No. of Bills.	Outstanding on 31st March 1943.
		Rs. a. p.		Rs. a. p.
1926-27	2	1,520 10 0	2	1,520 10 0
1927-28	2	2,273 2 0	2	2,273 2 0
1928-29	...	...	...	...
1929-30	...	...	...	...
1930-31	8	695 5 0	6	630 7 0
1931-32	14	4,505 4 0	12	4,440 6 0
1932-33	43	11,487 5 0	39	11,381 6 0
1933-34	64	17,551 11 0	55	17,065 10 0
1934-35	111	76,441 15 0	74	18,818 13 0
1935-36	173	89,633 14 0	94	30,300 11 0
1936-37	317	90,177 15 0	171	32,629 5 0
1937-38	451	39,993 3 0	227	29,767 2 0
1938-39	748	64,173 3 0	358	38,552 7 0
1939-40	1,280	1,02,335 11 8	609	50,275 8 6
1940-41	2,376	2,37,540 11 6	1,036	91,882 14 6
1941-42	10,995	15,28,735 13 11	1,822	1,99,901 11 0
1942-43	...	...	11,567	18,53,054 1 3
Total ...	16,584	22,67,065 12 1	16,074	23,82,494 2 3
Add—Payment by Government in lieu of General Tax		16,92,563 2 10		14,37,321 7 10
Grand Total ...		39,59,628 14 11		38,19,815 10 1

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 11.29 as against 12.18 for the previous year showing a decrease of .89.

(4) A statement of the transaction for the year is as follows :—

	Rs.	a.	p.
Property and Wheel Tax:—			
Balance on 1st April 1942	39,59,628	14	11
Add—			
Demand during the year	2,98,60,596	1	8
	3,38,20,225	0	7
Less—			
Recoveries during the year	3,00,00,409	6	6
Balance on 31st March 1943—exclusive of amount of bills for meter hire and street number plates	38,19,815	10	1

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 3,44,823-3-0 and Rs. 1,97,240-5-0, respectively, as against Rs. 3,94,850-2-0 and Rs. 5,05,320-5-0 during the previous year. The total amount written off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 27,584-10-0.

(6) The total number of bills for property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1943 was 22,379. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

I have the honour to be,
Sir,
Your most obedient servant,

R. C. MEHTA,
Municipal Chief Auditor.

MUNICIPAL OFFICES.
BOMBAY, 21st September 1943.

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p
1926-27	E ...	2	960 2 0	311 7 0	...	...	249 1 0	...	...	1,520 10 0	...	1,520 10 0	...	...
1927-28	E ...	2	1,432 6 0	467 2 0	...	...	373 10 0	...	...	2,273 2 0	...	2,273 2 0	...	...
1930-31	B ...	2	139 14 0	68 8 0	...	...	54 12 0	...	...	263 2 0	...	263 2 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
Do.	E ...	2	143 15 0	52 2 0	...	...	41 12 0	...	...	237 13 0	...	237 13 0	...	...
	Total ...	6	365 7 0	147 4 0	...	...	117 12 0	...	...	630 7 0	...	630 7 0	...	...
1931-32	B ...	7	2,678 0 0	589 12 0	...	...	645 6 0	...	...	3,913 2 0	...	3,913 2 0	...	...
Do.	C ...	3	183 11 0	26 10 0	...	...	43 3 0	...	...	253 8 0	...	253 8 0	...	...
Do.	E ...	2	172 8 0	56 4 0	...	...	45 0 0	...	...	273 12 0	...	273 12 0	...	...
	Total ...	12	3,034 3 0	672 10 0	...	...	733 9 0	...	...	4,440 6 0	...	4,440 6 0	...	...

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1932-33	A ...	1	8 15 0	2 15 0	...	...	2 5 0	...	...	14 3 0	...	14 3 0	...	...
Do.	B ...	25	6,490 13 0	1,564 3 0	...	...	1,787 0 0	...	...	9,842 0 0	...	9,842 0 0	...	...
Do.	C ...	4	204 6 0	26 10 0	...	...	61 4 0	...	...	292 4 0	...	292 4 0	...	...
Do.	E ...	4	763 2 0	97 12 0	...	...	199 0 0	...	...	1,059 14 0	...	1,059 14 0	...	...
Do.	F ...	4	89 2 0	...	...	...	23 0 0	...	...	112 2 0	...	112 2 0	...	...
Do.	G ...	1	...	18 1 0	...	...	42 14 0	...	...	60 15 0	...	60 15 0	...	...
	Total ...	39	7,556 6 0	1,709 9 0	...	...	2,115 7 0	...	...	11,381 6 0	...	11,381 6 0	...	...
1933-34	A ...	4	32 4 0	10 10 0	...	...	8 6 0	...	..	51 4 0	...	51 4 0	...	...
Do.	B ...	32	7,337 6 0	2,019 14 0	...	...	2,151 8 0	...	...	11,508 12 0	...	11,508 12 0	...	...
Do.	C ...	7	263 1 0	80 2 0	...	...	82 12 0	...	...	425 15 0	...	425 15 0	...	...
Do.	E ...	4	568 12 0	34 8 0	...	...	148 6 0	...	...	751 10 0	...	751 10 0	...	...
Do.	F ...	5	110 2 0	...	...	...	31 1 0	...	...	141 3 0	...	141 3 0	...	...
Do.	G ...	3	328 14 0	107 4 0	3,665 0 0	...	85 12 0	...	...	4,186 14 0	...	4,186 14 0	...	...
	Total...	55	8,640 7 0	2,252 6 0	3,665 0 0	...	2,507 13 0		...	17,065 10 0		17,065 10 0		

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immovable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1934-35	A ...	4	35 0 0	10 10 0	...	...	8 6 0	...	...	54 0 0	...	54 0 0	...	...
Do.	B ...	33	8,908 2 0	2,045 0 0	...	...	2,128 2 0	...	...	13,081 4 0	...	13,081 4 0	...	...
Do.	C ...	10	607 14 0	71 8 0	...	...	130 10 0	...	...	810 0 0	...	810 0 0	...	...
Do.	D ...	4	109 6 0	32 14 0	403 2 0	...	26 4 0	...	...	571 10 0	...	571 10 0	...	...
Do.	E ...	4	618 2 0	185 8 0	...	...	148 6 0	...	...	952 0 0	...	952 0 0	...	...
Do.	F ...	10	162 12 0	...	...	...	42 12 0	...	...	205 8 0	...	205 8 0	...	...
Do.	G ...	9	545 15 0	123 14 0	2,347 8 0	...	127 2 0	...	...	3,144 7 0	...	3,144 7 0	...	...
	Total ...	74	10,987 3 0	2,469 6 0	2,750 10 0	...	2,611 10 0	...	...	18,818 13 0	...	18,818 13 0	...	...
1935-36	A ...	6	188 12 0	10 10 0	...	...	45 4 0	...	...	244 10 0	...	244 10 0	...	...
Do.	B ...	36	9,093 13 0	2,170 10 0	...	...	2,185 1 0	...	...	13,449 8 0	...	13,449 8 0	...	...
Do.	C ...	12	1,964 11 0	496 11 0	...	...	477 10 0	...	...	2,939 0 0	...	2,939 0 0	...	...
Do.	D ...	5	870 9 0	32 14 0	1,824 12 0	...	286 1 0	...	...	3,014 4 0	...	3,014 4 0	...	...
Do.	E ...	4	159 6 0	47 14 0	...	...	38 4 0	...	...	245 8 0	...	245 8 0	...	...
Do.	F ...	11	175 9 0	...	...	...	45 13 0	...	...	221 6 0	...	221 6 0	...	...
Do.	G ...	15	890 13 0	235 1 0	8,720 2 0	...	214 7 0	...	...	10,060 7 0	...	10,060 7 0	...	...
	Total ...	89	13,343 9 0	2,993 12 0	10,544 14 0	...	3,292 8 0	...	...	30,174 11 0	...	30,174 11 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										
			General Tax.	WATER TAX		HALALKHORE TAX		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	METER HIRE	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1936-37	A ...	6	173 12 0	10 10 0	...	...	45 4 0	...	...	229 10 0	...	229 10 0	...	...
Do.	B ...	37	8,566 1 0	2,729 8 0	...	14 12 0	2,270 8 0	...	...	13,580 13 0	...	13,580 13 0	...	...
Do.	C ...	21	1,918 4 0	388 6 0	...	...	504 11 0	...	...	2,811 5 0	...	2,811 5 0	...	...
Do.	D ...	5	2,072 4 0	32 14 0	177 0 0	...	540 10 0	...	...	2,822 12 0	...	2,822 12 0	...	...
Do.	E ...	6	249 2 0	47 14 0	...	...	68 0 0	...	...	365 0 0	...	365 0 0	...	...
Do.	F ...	12	178 1 0	...	...	...	50 2 0	...	...	228 3 0	...	228 3 0	...	...
Do.	G ...	21	1,173 1 0	264 11 0	8,604 0 0	...	305 14 0	...	...	10,347 10 0	...	10,347 10 0	...	...
	Total ...	108	14,330 9 0	3,473 15 0	8,781 0 0	14 12 0	3,785 1 0	...	...	30,385 5 0	...	30,385 5 0	...	...
1937-38	A ...	10	421 2 0	137 7 0	...	...	109 13 0	...	...	668 6 0	...	668 6 0	...	...
Do.	T ...	4	...	...	1,366 2 0	...	...	...	...	1,366 2 0	...	1,366 2 0	...	...
Do.	B ...	38	9,227 0 0	2,813 0 0	...	14 12 0	2,408 6 0	...	...	14,463 2 0	...	14,463 2 0	...	...
Do.	C ...	22	1,448 12 0	37 10 0	...	...	361 5 0	...	...	1,847 11 0	...	1,847 11 0	...	...
Do.	D ...	4	1,843 9 0	32 14 0	...	...	531 8 0	...	...	2,407 15 0	...	2,407 15 0	...	...
Do.	E ...	17	1,406 9 0	165 9 0	...	...	416 7 0	...	...	1,988 9 0	...	1,988 9 0	...	...
Do.	F ...	16	314 14 0	91 9 0	...	...	127 12 0	...	...	534 3 0	...	534 3 0	...	...
Do.	G ...	27	2,012 14 0	299 9 0	1,077 10 0	...	526 12 0	...	...	3,916 13 0	...	3,916 13 0	...	...
	Total ...	138	16,674 12 0	3,577 10 0	2,443 12 0	14 12 0	4,481 15 0	...	...	27,192 13 0	...	27,192 13 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.							Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Tax on Vehicles and animals.				No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1938-39	A ...	11	627 11 0	204 13 0	...	...	163 11 0	...	...	996 3 0	...	996 3 0	...	
Do.	T ...	5	...	...	104 1 0	...	...	...	...	104 1 0	...	104 1 0	...	...
Do.	B ...	45	9,759 4 0	2,846 12 0	...	14 12 0	2,574 1 0	...	...	15,194 13 0	...	15,194 13 0	...	...
Do.	C ...	43	2,790 7 0	137 13 0	...	...	710 15 0	...	...	3,639 3 0	...	3,639 3 0	...	...
Do.	D ...	14	2,551 12 0	168 0 0	...	...	694 0 0	...	...	3,413 12 0	...	3,413 12 0	...	...
Do.	E ...	31	4,398 5 0	205 15 0	...	...	1,166 8 0	...	...	5,770 12 0	...	5,770 12 0	...	...
Do.	F ...	22	883 10 0	147 12 0	...	...	257 1 0	...	...	1,288 7 0	...	1,288 7 0	...	...
Do.	G ...	28	2,199 6 0	332 4 0	338 0 0	...	592 10 0	...	...	3,462 4 0	...	3,462 4 0	...	...
	Total ...	199	23,210 7 0	4,043 5 0	442 1 0	14 12 0	6,158 14 0	...	...	33,869 7 0	...	33,869 7 0	...	...
1939-40	A ...	9	806 9 0	168 0 0	...	...	210 6 0	...	...	1,184 15 0	546 8 0	1,731 7 0	...	...
Do.	G. P. R. ...	1	...	...	...	...	...	5 4 0	...	5 4 0	...	5 4 0	...	...
Do.	T ...	2	155 0 0	50 9 0	...	...	40 6 0	...	...	245 15 0	67 6 0	313 5 0	...	...
Do.	B ...	54	6,405 4 0	884 4 0	...	14 12 0	1,728 11 0	...	...	9,032 15 0	5,310 3 0	14,343 2 0	...	...
Do.	C ...	75	6,994 14 0	336 4 0	...	11 1 0	1,974 6 0	...	...	9,316 9 0	5,976 3 0	15,292 12 0	...	...
Do.	D ...	38	5,554 6 0	698 2 0	...	...	1,697 12 0	...	...	7,950 4 0	5,123 8 0	13,073 12 0	...	...
Do.	E ...	52	6,053 12 0	208 7 0	...	...	1,658 5 0	...	...	7,920 8 0	4,638 1 0	12,558 9 0	...	...
Do.	F ...	31	1,827 1 0	158 3 0	...	...	474 2 0	...	...	2,459 6 0	1,218 4 0	3,677 10 0	...	...
Do.	G ...	51	2,915 4 0	120 5 0	243 15 0	...	770 2 0	...	...	4,049 10 0	2,045 1 0	6,094 11 0	...	...
	Total ...	313	30,712 2 0	2,624 2 0	243 15 0	25 13 0	8,554 2 0	5 4 0	...	42,165 6 0	24,925 2 0	67,090 8 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.							Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Tax on Vehicles and animals.				No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.		Rs. a. p
1940-41	A ...	20	4,346 6 0	145 3 0	814 2 0	...	1,268 3 0	...	...	6,573 14 0	3,686 3 0	10,260 1 0	...	...
	G. P. R. ...	15	3,293 9 0	...	...	...	689 3 0	481 10 0	...	4,464 6 0	...	4,464 6 0	...	...
	B ...	85	10,061 5 0	1,694 2 0	...	14 12 0	2,808 15 0	...	...	14,579 2 0	9,883 12 0	24,462 14 0	...	...
	C ...	146	13,304 2 0	808 13 0	22 7 0	22 2 0	3,594 14 0	...	...	17,752 6 0	10,000 8 0	27,752 14 0	...	...
	D ...	59	9,491 2 0	1,753 5 0	556 9 0	...	2,565 1 0	...	...	14,366 1 0	7,651 10 0	22,017 11 0	...	...
	E ...	95	9004 5 0	741 14 0	...	...	2,501 7 0	...	...	12,247 10 0	6,383 13 0	18,631 7 0	...	...
	F ...	38	2,209 4 0	241 1 0	...	...	573 14 0	...	...	3,024 3 0	1,453 8 0	4 477 11 0	...	...
	G ...	75	3,799 7 0	411 15 6	572 14 0	...	1,015 6 0	...	...	5,799 10 6	2,801 1 0	8600 11 6	...	...
	Total ...	533	55,509 8 0	5,796 5 6	1,966 0 0	36 14 0	15,016 15 0	481 10 0	..	78,807 4 6	41,860 7 0	1,20667 11 6	...	...
1941-42	A ...	96	11,397 2 0	933 1 0	...	...	2,722 9 0	...	...	15,052 12 0	7,226 6 0	22.279 2 0	...	...
	G. P. R. ...	34	16,174 6 0	9 9 0	...	...	3,851 8 0	711 9 0	...	20,747 0 0	...	20,747 0 0	...	...
	T ...	22	360 5 0	117 11 0	72 6 0	...	94 0 0	...	...	644 6 0	81 7 0	725 13 0	...	...
	B ...	163	20,874 3 0	2,527 0 0	...	14 12 0	5,781 8 0	...	...	29,197 7 0	13,086 8 0	42.283 15 0	...	...
	C ...	249	29,481 10 0	2,711 11 0	19 13 0	123 5 0	7,975 0 0	...	...	40,311 7 0	18,336 5 0	58,647 12 0	...	...
	D ...	156	20,869 10 0	5,738 3 0	1,145 6 0	5 7 0	5,575 4 0	...	...	33,333 14 0	13,976 4 0	47,310 2 0	...	...
	E ..	170	18,038 8 0	1,993 6 0	144 6 0	3 0 0	4,887 1 0	...	...	25,066 5 0	11,134 6 0	36,200 11 0	...	...
	F ...	61	3,606 13 0	374 0 0	32 6 0	...	923 15 0	...	...	4,937 2 0	1,957 4 0	6,894 6 0	...	...
	G ...	167	9,114 4 0	1,606 7 0	28 6 0	...	2,354 2 0	...	...	13,103 3 0	4,601 2 0	17,704 5 0	...	...
	Total ...	1,118	1,29,916 13 0	16,011 0 0	1,442 11 0	146 8 0	34,164 15 0	711 9 0	...	1,82,393 8 0	70,399 10 0	2,52,793 2 0	...	...

STATEMENT A.

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year	Ward	No of bills	DETAILS OF DEMAND									Meter Hire	
			General Tax	Water Tax			Halalkhore Tax		Tax on vehicles and animals	Total of Municipal taxes	Urban Immoveable Property Tax	Grand Total	
				On Value	By meter measurement	Compounded tax	On Value	Ataspecial rate					No of bills	Amount
(1)	(2)	(3)	(4)	(7)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p		Rs a p
1942-43 ...	A ...	822	1,36,364 6 0	32,983 14 0	54,886 10 0	52 11 0	34,437 2 0	...	...	2,58,724 11 0	86,347 9 0	3,45,072 4 0	17	424 0 0
	G P R ...	705	25,403 11 0	615 15 0	1,75.604 15 0	...	6,627 4 0	27,652 15 0	...	2,35,904 12 0	1,769 2 0	2,37,673 14 0	22	833 4 0
	T ...	149	4,885 9 0	1,684 15 0	2,323 4 0	2 0 0	1,368 1 0	...	...	10,263 13 0	1,010 6 0	11,274 3 0	4	78 0 0
	B ...	930	1,45,691 5 0	42,166 1 0	681 3 0	203 3 0	40,930 6 0	...	...	2,29,672 2 0	88,248 9 0	3,17,920 11 0	4	47 8 0
	C ...	1103	1,76,007 7 0	48,742 2 0	2,054 13 0	1,411 0 0	47,587 11 0	...	...	2,75,803 1 0	1,12,780 0 0	3,88,583 1 0	9	144 0 0
	D ...	1127	1,98,766 4 0	55,961 15 0	14,644 9 0	100 14 0	57,372 0 0	...	...	3,26,845 10 0	1,30,147 14 0	4,56,993 8 0	25	539 8 0
	E ...	873	1,04,494 6 0	23,585 15 0	3,274 13 0	49 15 0	28,883 4 0	..	...	1,60,288 5 0	64,231 13 0	2,24,520 2 0	10	198 0 0
	F ...	661	72,324 0 6	18,997 7 0	6,366 13 0	12 15 0	19,118 1 6	...	...	1,16,819 5 0	42,639 0 0	1,59,458 5 0	7	189 0 0
	G ...	1155	75,524 0 3	19,433 10 0	6,066 13 0	38 7 0	19,002 13 0	...	...	1,20,065 11 3	41,193 8 0	1,61,259 3 3	17	422 8 0
	Total ...	7,525	9,39,461 0 9	2,44,171 14 0	2,65,903 13 0	1,871 1 0	2,55,326 10 6	27,652 15 0	...	17,34,387 6 3	5,68,367 13 0	23,02,755 3 3	115	2,875 12 0
	Grand Total	10,213	12,56,134 14 9	2,90,721 11 6	2,98,183 12 0	2,124 8 0	3,39,489 14 6	28,851 6 0	...	22,15,506 2 9	7,05,553 0 0	29,21,059 2 9	115	2,875 12 0

5,861		Tax on Vehicles and Animals	...	1,66,987 15 6
115		Meter hire bills	...	2,875 12 0
157		Street No Plates	...	327 8 0
6,033		Additional General Tax	...	1,09,640 5 7
		Amount due from Government in lieu of General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1942-43	...	14,37,321 7 10
		Urban Immovable Property Tax	...	7,05,553 0 0
Total ... 22,379				46,38,212 3 8

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1943.

Ward	1935-36		1936-37		1937-38		1938-39		1939-40		1940-41		1941-42		1942-43	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	...	...	6	170 0 0	11	425 0 0	30	1,116 7 0	82	1,826 10 0	146	3,449 10 0	307	7,351 11 0	1321	44,567 0 0
B ...	...	...	1	25 0 0	13	402 13 0	23	701 11 0	22	1,167 0 0	47	1,495 0 0	39	1,018 5 0	213	7,747 11 0
C ...	1	16 0 0	1	16 0 0	6	142 8 0	18	425 5 0	26	561 5 0	54	1,478 8 0	42	1,268 5 0	268	7,033 0 0
D ...	2	50 0 0	16	335 0 0	26	733 5 0	32	789 11 0	53	1,325 12 6	74	1,890 0 0	92	2,377 0 0	837	24,226 7 0
E ...	2	60 0 0	32	1,530 0 0	26	796 11 0	43	1,256 8 0	74	2,209 8 0	100	2,660 11 0	90	2,325 5 0	705	19,396 6 0
F ...	...	...	...	...	4	50 0 0	9	321 11 0	17	611 10 0	31	993 5 0	45	1,315 5 0	337	8,077 11 0
G ...	...	...	7	168 0 0	3	24 0 0	4	71 11 0	22	408 5 0	51	1,108 8 0	89	1,852 4 0	361	7,618 8 0
Total ...	5	126 0 0	63	2,244 0 0	89	2,574 5 0	159	4,683 0 0	296	8,110 2 6	503	13,075 10 0	704	17,508 3 0	4042	1,18,666 11 0

STATEMENT C.

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1943.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV.		A.G.T. XV.		Street No. Plate.	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amounts.	No. of Bills.	Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	5	290 0 0	...	...	2	5 11 0	...	...	18	4,457 3 0	4	23 13 0	15	974 7 0	...	...	9	8 12 0	1132	17,000 5 0	15	26 4 0
G.P.R....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	31	570 13 0	...	...
T. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	16	44 0 0
B ...	43	2,089 9 0	5	60 13 0	28	101 0 0	3	28 9 0	55	4,335 5 0	...	...	25	697 2 0	5	373 1 0	18	69 13 0	930	11,251 4 0	2	13 8 0
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D ...	30	2,853 14 0	...	...	...	...	...	...	40	10,135 14 0	...	...	11	524 15 0	2	8 12 0	8	15 7 0	732	8,808 12 0	14	22 8 0
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BOMBAY MUNICIPALITY.

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1943-44.

MUNICIPAL PRINTING PRESS, BOMBAY.

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. MCA/317/I of 1944-45.

Bombay, 5th October 1944.

FROM

R. C. MEHTA, Esq. F.S.A.A., B.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

Sir,

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1943-44 for submission to the Standing Committee and the Corporation.

This year, the audit report has been delayed by about two weeks due to the Annual Accounts for the year under report having been submitted late for audit by about one month by the Chief Accountant. It is, therefore, requested that this may be treated as an urgent matter.

I have the honour to be,

Sir,

Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the Year 1943-44.

Prefatory Remarks.

In compliance with the provisions of Section 137(3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938), the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1944, that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee, their Capital Accounts, Accounts of the Sinking and Special Funds, Debts, Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor and his assistant and his staff have kept themselves busy continuously throughout the year test-auditing the accounts of the Corporation and the result has been embodied in this report.

This Audit report is divided into two parts (1) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schedule I, Division A summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the method and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I, Division B, contains statements of receipts and payments and the balances of Revenue and Capital accounts indicating the final position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvement Schemes Accounts, Advances and Investments, loans contracted and cash and securities on account of various funds. Appendices A and B are attached to Schedule I showing the charges met from the Municipal Commissioner's discretional contingencies and balances of stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Municipal Chief Auditor's general remarks on the result of the Audit of the Accounts may shortly be recapitulated as under:—

MUNICIPAL ACCOUNTS.

Expenditure.

With reference to the internal control of the Accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made etc., it will be seen from the summary of objections raised during the year, as given in the body of the main Audit Report, that in a majority of cases the Accounts Department has simply forwarded for the information of the Municipal Chief Auditor

the explanations given by the departments concerned, apparently without much scrutiny. From the explanations and information given in certain cases, it also appears that the departments concerned try to justify the action taken by offering arguments instead of adopting the reasonable suggestions made by Audit in the interests of economy and clear accounting. It is accordingly suggested that the control of the Accounts Department over incurrence of expenditure, adjustment of accounts and watching of budget grants in the departments should be more searching and strict, though not inconsiderate.

Budget and Accounts.

The Revenue Budget originally sanctioned was for Rs. 388.31 lakhs for Municipal Accounts and Rs. 103.02 lakhs for Improvement Schemes Account. The transfers and additions made in the Budget during the year were to the extent of Rs. 34.88 lakhs both in the Municipal and Improvement Schemes Accounts, there being 467 items of transfers and 108 items of additional grants. A number of these transfers and additions which practically alter all sanctioned allotments in the original Budget relate to Establishment Grants also. These transfers of establishment grants are mainly due to the lax practice of omitting all charges for leave allowances, whilst calculating the Budget provisions, which presupposes supplementing of grants by transfers and additions during the course of the year. This practice does not lead to economy. Moreover, budget is a prospective chart of anticipated income and expenditure not to be lightly trifled with later on at the sweet will of the departments concerned who are bound to carry it out in all its possible details. It was accordingly suggested in the annual audit reports for the years 1941-42 and 1942-43 that every effort should be made to preassess as far as possible all such expenditure at the time of framing the original budget. In reply to this the Chief Accountant has drawn my attention to the Corporation Resolution No. 939, dated the 27th February 1936, which adopted the opinion of the Commissioner that it was not practicable to give effect to the proposal. I have gone through the report of the Commissioner underlying that Resolution but with deference I may state that the framing of an accurate budget beforehand is a *sine-qua-non* in all organised and well managed institutions. Moreover, all figures therein are to be based upon as accurate *estimates* as possible, it being not necessary to forecast beforehand the exact number and nature of the acting appointments that may have to be made during the next budget year. These estimates can be based on expenditures on similar items incurred in the foregoing years. Government Departments make provisions for leave reserves and acting appointments based on a certain fixed percentage of the total strength of the establishment. Similar provision is being made by us also in the Schools Committee's establishment of teachers. Moreover, such a practice will help the Municipality in determining whether it is better to fix a leave reserve on the scales adopted by Government or to continue the practice of making a lump sum provision for leave arrangements in future in the interests of economy and efficiency.

(2) Another suggestion made in the last annual report was that the Departments should not be allowed to spend in excess of the figures shown by them in the *revised* estimates without special permission of the Commissioner. The reason for this suggestion is obvious. Although the original budget is framed about six months before the beginning of the next budget year, the revised budget is prepared on the basis of actuals of the first eight months of the year and it is accordingly bound to be more accurate and therefore it should not be allowed to be varied without the special sanction of the Commissioner who would in that case be in a position to know the justification of the propsed variation. The Chief Accountant's reasons for laxity in this direction may be stated in his own words which are as follows:—

> "The figures of actuals for 8 months, *i.e.*, upto the end of November are made available by this office about the 10th of December to the departments concerned who send the revised estimates duly completed generally between the 18th and 23rd of that month. Due to the limited time at the disposal of the Departments for submission of the figures, *the statements are not prepared with due scrutiny and in a number of cases the estimates for 4 months is arrived at by calculating the difference between the budget grants and the actuals for 8 months inspite of warning not to do so contained in the circular for preparing the Revised Estimates. It is also not possible for this office to examine the figures in sufficient details for want of time.******"

This in my opinion is not satisfactory.

(3) Section 140(*o*) of the City of Bombay Municipal Act read with Section 169 lays down the necessity of the Municipal Water Tax and Halalkhore Tax being as far as possible commensurate with the actual expenditures incurred by the Municipality on those items. During the year under report the Committee of the Mill Owners' Association protested against the proposed increase in water rate for water supplied to Cotton, Dyeing, Bleaching and other Mills on this ground urging that the Corporation could not make a profit out of it (their letter, dated the 11th January 1944, underlying Corporation Resolution No. 916, dated the 28th January 1944). And one of the Corporators Mr. M. I. M. Rowjee filed two suits against the Municipality in the High Court challenging the validity of the levy of water and halalkhore taxes for the years 1941-42, 1942-43 and 1943-44 on the ground that the levy was in excess of requirements. And the Commissioner has also received a notice from the Income Tax Authorities to pay income tax on the excess or profits realised by the Corporation in respect of the water supplied to the Suburban areas which are outside the jurisdiction of the Bombay Municipality at a rate higher than the cost incurred on such supply as inome arising from trade or activity taxable under Section 4(3)(*iii*) of the Indian Income Tax Act.

It is accordingly necessary to keep separate and clear accounts as to the income and expenditure of these services in order to be able to clearly understand how far the taxes levied on these counts are commensurate with the expenditures incurred and to see whether there has been any appreciable profit out of these taxes.

In this connection reference is invited to my report for keeping proper accounts of the Workshops, by distributing overhead charges on the jobs carried out for such services, which is still pending consideration by the Sub-Committee of the Standing Committee.

(4) The present system of keeping Municipal Accounts was designed years ago though some formal changes were made in it from time to time. Since then the finances of the Municipality have considerably expanded and the accounts have become more complicated. And with the advance of times, the method of Public Account keeping has also undergone a considerable change. It is, therefore, necessary that the present system of accounts-keeping be overhauled and brought upto the present day requirements.

In this connection the Chief Accountant in his memo dated 3-7-1944, in reply to similar observations made in my last report, points out the several resolutions of the Corporation on the report of Mr. Bird on the Accounting reforms and reorganisation and the Commissioner's letter, No. A.E. 697 of 19-6-1941, under-

lying the Law, Revenue and General Purposes Committee Resolution No. 41, dated the 7th July 1941, and states that the question has received due consideration in the past. I may, however, repeat that with advancing times, the system requires a corresponding change and that though it is not possible to give in the short space of an audit report detailed instructions as to the improved method of keeping accounts, which in my opinion should be adopted, I may point out that the following were the main suggestions made by Mr. Bird (which have been referred to in the Commissioner's aforesaid letter), which in my opinion are worth adoption with some modifications.

They are:—

(1) That the keeping of all primary books, registers and ledgers both of income and expenditure should be entrusted to accounts sections in the several spending departments;
(2) That these departmental accounts sections should be brought under the control of the Chief Accountant for technical matters of accounts but should be under the orders of the departmental officers for pay and discipline;
(3) That for this purpose employees working in the Accounts Department should be transferred to various departmental offices and merged in their respective accounts sections; and
(4) That the existing departmental accounts clerks in the different departments should either be retrenched or redistributed or transferred to other branches.

The Corporation under their Resolution No. 644, dated th 30th September 1940, enquired of the Commissioner as to what steps he proposed to take to carry out these suggestions. The Commissioner, however, reported in his aforesaid letter that an experiment was made for keeping the accounts of the Chief Accountant's Department with the help of machines instead of by clerical labour and that that experiment had failed.

This was an experiment to save clerical labour for keeping accounts by mechanical devices but my suggestion is not to introduce mechanical devices to save clerical labour. It is to improve the present method of keeping accounts. But in my opinion, apart from making any fundamental changes in the present method of keeping accounts at once a beginning may be made by keeping accounts in the respective spending departments and putting them under the control of the Chief Accountant as suggested above so as to avoid the duplication of accounts and consequent delay in work.

There is nothing to show in the Commissioner's report that the keeping of accounts in the spending departments by the Accounts Sections working under the control of the Chief Accountant in those departments was ever tried. In the circumstances the matter requires to be carefully looked into again in the interests of economy, simplification and expeditious disposal of the multifarious transactions that are daily growing in volume and in complexity.

(5) Moreover, in order to have a proper, clear and scientific accounting for such a vast concern like the Bombay Municipal Corporation, there ought to be proper rules and regulations and hence the want of an Accounts Code or Manual in this Municipality appears to me also a great handicap in the enforcement of uniformity in procedure and apportionment of faults, as the departments are left to justify their irregularities by reference to plausible arguments irrespective of the strict accounting methods. Therefore, the preparation of an Accounts Code is an urgent necessity.

In reply to my similar observations in the last year's report in this connection too the Chief Accountant referred me to the Commissioner's report, No A.E. 4224-C.S.R., dated the 10th December 1940, which was adopted by the Law, Revenue and General Purposes Committee Resolution No. 221, dated the 9th January 1941. The Commissioner in his aforesaid report, on the notice of motion from Mr. B. N. Maheshwari adopted under Corporation Resolution No. 639, dated the 26th September 1940, stated that as there are certain publications in the Municipality such as Manual of Office Orders and Circulars, Engineering Code, Municipal Service Regulations, Pension and Provident Fund Regulations, Stores and Stores Audit Manual, etc., which served the purpose, there was no immediate necessity for framing a consolidated Accounts and Audit Manual, and added that as the work of compiling such a Manual would involve a large expenditure by way of engaging a special officer with an adequate staff under him, the question should be dropped for the present.

It may be observed that the publications stated by the Commissioner are no substitutes for an Accounts and Audit Manual. Even the Government Departments have their circulars, standing orders, P.W.D. Manual, C. S. Regulations, etc., etc., but so far as the accounting procedure and the principles are concerned they are enforced in an uniform manner through what is known as Accounts Code. As regards cost, certainly, it is not going to run into several lakhs and in any case having regard to its importance this question does not deserve to be shelved.

(6) In order to have a proper check and control over the accounts of cash, stores, and materials, and to facilitate tracing of responsibility in cases of defaults the Commissioner was requested four years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all the Departments in respect of these matters and he has given orders accordingly to the departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

(7) While examining the Sinking Fund accumulations in respect of Improvement Schemes Account Loans as on 31st March 1941 it was found that theoretical accumulations in respect of certain loans were short of the amounts required for repayment on their maturity. The Commissioner who was referred to in the matter has since obtained sanction of the Standing Committee and the Corporation for necessary adjustments to set the matter right (*vide* Corporation Resolution No. 1012, dated the 7th February 1944).

Incidentally it was suggested to the Commissioner that it was desirable to approach Government with a proposal for early repayment of the outstanding balance (which was Rs. 247 lakhs on 31-3-1943) in respect of the advance of Rs. 476 lakhs taken from Government by the late Improvement Trust by issue of 4½ per cent. debentures of the equivalent amount to them as security. The interest payable to Government on the different portions of this advance ranges from 4¾ per cent to 5½ per cent., per annum and the amount of the advance is being repaid by annual instalments fixed up to 31st March 1956. It was, therefore, recommended to the Commissioner that negotiations may be started to repay the loans and if the Government agreed to receive the balance of the advance in a lump sum the savings to the Improvements Account during the years between 1943-44 to 1955-56 would be approximately 12½ lakhs being the difference in interest on the outstanding balances of the advance at the stipulated rates with Government and the rate of 4½ per cent., enfaced on the debentures. The saving would be still more if for financing the repayment the Corporation would be able to float a loan at a rate lower than 4½ per cent., *i.e.*, say 3 or 3½ per cent., taking advantage of the present money market.

The Commissioner, however, stated in his letter to the Standing Committee No. M.C.A. 2238, dated the 4th January 1944, underlying the aforesaid resolution that the Government would not agree to entertain a proposal for any modified arrangement which is not likely to be advantageous to them particularly when earlier repayment of Government advance is not contemplated under the terms of the agreement; and if Government were really in need of money a request would be made by them to the Municipal Corporation to make arrangement for earlier repayment of the outstanding amount. That is true. However, if Government agrees to receive the outstanding balance at once, it appears to me worthwhile requesting it to do so.

LIABILITIES AND ASSETS.

The following are the extracts from the audit report for 1942-43:—

"The property and assets under Loan funds as shown at the origial cost in Appendix No. 8 are being replaced from time to time or disposed of as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the values for those assets which have been scrapped or disposed of and are no longer in existence.

In the Schedule of assets also are included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore, it cannot be said that the Municipality is holding assets to this extent. If such items are to be shown in the Balance Sheet at all, they should be shown under a separate head.

In this connection I may mention that after years of insistence by the Corporation for preparation of an inventory of the assets belonging to the Corporation, an interim report showing the number of properties and their estimated present value was submitted by the Commissioner to the Corporation last year (Corporation Resolution No. 68, dated the 13th April 1942). The inventory is incomplete in so far as it does not give properties outside the City and the sources from which they were purchased, constructed or acquired.

The desirability of showing these matters in a proper form and at the proper valuations so as to represent a true position of affairs in the Balance Sheet was pointed out in my previous report. Necessary steps should be taken to remedy these defects at an early date."

The Chief Accountant explains as under:—

"The treatment of Assets in the accounts of local authorities is not similar to that of the commercial undertakings. In the latter case the assets are acquired for the purpose of profit while in the case of local authorities assets such as Roads, Drains, etc., are created with the idea of rendering service to the citizens of the locality. The accounts of the local authorities fall under Double Account System of Accounts and all Capital expenditure is shown in the Capital Account whether or not such expenditure continues to be represented by assets. Loss on capital account occasioned by the abandonment of assets which can no longer be profitably used or by depreciation of assets which are not required to be renewed need not in strict theory be provided for. It, therefore, follows that the Capital Expenditure shown in Appendix No. 8 need not be modified and should be allowed to continue as at present."

Although it is well known that the accounts of the Municipality are not exactly on a par with those of commercial undertakings nevertheless their accounts and Balance Sheets should not represent a position which is materially different from the actual. The Municipal properties were valued in the year 1883-84, at a figure of about Rs. 65 lakhs of which the properties of the value of Rs. 19,62,164-4-1 only were on the books and those for Rs. 45,37,835-11-11 were unbooked and that position continues to be shown in the balance sheets for the last 60 years. All additional expenditure incurred thereafter has also been added to this account and carried forward to this date irrespective of the existence or otherwise of the assets. The block account under Loan Funds shows Rs. 26,14,12,007 on 31st March 1944. The position, therefore, requires to be properly reviewed to bring the figures on the Balance Sheet approximately to the existing state of affairs and utility. An interim report on the re-valuation of the properties in hand with the Municipal Departments has been submitted to the Corporation (*vide* Corporation Resolution No. 68, dated the 13th April 1942) and completion of this valuation at an early date is essential. The Corporation has also called for a report on the financial results of the Municipal and Ex-Trust Development Schemes under Corporation Resolution No. 497, dated the 8th September 1942, and a special staff has been sanctioned for that purpose in the Estate Agent and Land Manager's Department and the Chief Accountant's Department. In order to enable to make concrete suggestions for modifications in the Balance Sheet so as to bring it approximately in line with the existing position, the Departments may be called upon to complete the work in hand and to submit the reports early to the Corporation.

Income.

It has already been pointed out in the previous reports, that with regard to the revenues of the Corporation inter-departmental control was not found satisfactory; that the co-ordination of the departmental accounts and of the accounts kept by the Chief Accountant was found wanting; and that there was no internal check of the Accounts Department over the departmental accounts and with a view to have adequate control and safeguard against possible omissions and irregularities in the accounts of such a vast organisation as the Bombay Municipal Corporation, the forms of registers of the Miscellaneous Departments were revised from 1st April 1939, on the basis of demand, collection and arrears for each source of income, to be tallied and reconciled with the figures of collection shown in the Chief Accountant's books at the end of each quarter by means of quarterly returns. The staff of the Chief Accountant was also strengthened for the internal verification of the departmental demand registers.

In this connection it may be observed that the departments were found rather slack, in the first instance, to adapt themselves to the new system of balancing and closing of departmental books and of certifying the accounts quarterly by means of returns in view of their age long practice of merely writing in the books whatever money was received and of sending it off to the Chief Accountant without having to get the accounts examined further excepting the counterfoils of the receipts and the cash book which were being checked by the Test Audit Officer's staff.

The Commissioner with his usual quickness in action has always taken up the matter promptly with the Departments on receipt of audit requisitions sent to him from time to time, and has made them to fall in line with the new order by means of circulars and warnings to the staff and by waiving the submission of quarterly returns for the past years of some of the departments which were badly behind time. The position of the returns for the year 1943-44 mentioned elsewhere in the report shows some improvement but most of the departments are still found in arrears for a quarter or two while no reurn has yet been received from the Market Department.

In the circumstances the accounts of the Miscellaneous Revenue shown in Appendix 3 of the Chief Accountant's Accounts lack the requirement of yearly reconciliation with the demand registers of the departments as on 31st March 1944.

It is hoped that the departments in collaboration with the Chief Accountant will see their way to make up for the past arrears of writing and of checking the registers and will arrange to submit all returns to audit not later than six weeks after the close of each quarter.

(2) As regards the Assessment Department, long delay occurring in taking legal action in respect of taxes left unrecovered after service of demand notices or execution of warrants has proved a sort of encouragement to the habitual defaulters who do not take serious notice of the Municipal demand, knowing well the present Municipal practice which takes years before a suit is filed and who accordingly adopt a variety of delaying tactics. To end this state of affairs, it is suggested that a time limit should be set, after the service of notices or of execution of warrants, after which the bills left unrecovered should be taken out of the hands of the bill collectors and put into the hands of the Legal Assistant for demanding payments, so that even if the Court action were required to be taken for non-payment afterwards, the case may not get complicated by the properties changing hands or for any other reason. Acting on the Audit criticism made during the previous years in this respect the staff of the Legal Assistant's Department has been strengthened for conducting cases of Rates and Taxes and it is hoped that early effect will be given to these suggestions.

The figures of collections in the Assessment bill books as reconciled by the Chief Accountant with his books are not received by Audit and accordingly the figures of receipts from taxes shown in Appendix No. 3 of the Chief Accountant's accounts lack the requirement of yearly reconciliation with the demand registers (Bill Books) of the department as on 31st March 1944.

In this connection in his letter No. M.C.A. 2513, IV, dated the 13th May 1942, the Commissioner explained that it was not possible to carry out the yearly reconciliation without the help of additional staff and that the additional expenditure involved would not be commensurate with the corresponding advantage and the Standing Committee and the Corporation have accordingly recorded this explanation of the Commissioner (*vide* Corporation Resolution No. 878, dated the 13th January 1944).

With very great deference, as a qualified auditor I am constrained to observe that without yearly reconciliation no auditor can agree to allow the accounts to remain open and unreconciled at the end of the year on which alone the accuracy of the year's working can be tested and on which rests the safety of non-interference in future with the accounts in such a vast organisation as the Bombay Municipal Corporation.

(3) In the case of the Estate Agent's Department, regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees, etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by issue of audit notes; *i.e.*, pointing out delays in taking timely action against defaulters in the initial stages for the large amounts of arrears against some individual tenants in respect of vacated tenancies. These arrears of vacated tenancies do not yet seem to receive as much attention of the departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the Departmental Officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrence of the cases pointed out by Audit and as a result some improvement has been noticed in that respect.

The reconciliation of figures of collections as shown in the Demand Registers of the Estate Agent's Department with those of the Chief Accountant's registers for the year ending 1943-44 has not been received duly verified by the Chief Accountant and therefore the figures shown in Apendix No. 23 of the Chief Accountant's abstract of accounts also lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

(4) Since the year 1938-39 the Chief Accountant and the Municipal Departments have not submitted to the Municipal Chief Auditor reconciled annual accounts of the demand, collection and arrears and hence Audit has not been able to verify their accuracy.

(5) Arrears of Rates and Taxes.—The gross demand and outstandings in respect of the property taxes and tax on vehicles and animals were Rs. 357.44 lakhs and Rs. 28.35 lakhs. The percentages of gross outstandings to the demands being 7.33 and 19.83 respectively. As stated in my report No. M.C.A. 1510-IV, dated the 19th November 1940, on the books of the Assessment Department for the yar 1939-40, the Assessor and Collector has worked out the figures of demand at Rs. 258.00 lakhs and outstanding at Rs. 7.78 from private parties (excluding mills), showing the percentage of outstandings to demand at 3.02. The fugure of outstandings of Rs. 7.78 lakhs does not include sums of Rs. 1.50 lakhs and Rs. 87 lakhs involved in suits filed and to be filed and the claims payable by the Court Receiver and the Official Assignee and Rs. 10.50 lakhs for amended bills issued in March 1944.

(6) Arrears of Rent.—The percentages of arrears to demand in respect of permanent and temporary lettings of *ex*-Trust properties were 9.34 and 27.12, respectively. The write-off in connection with the temporary revenue was Rs. .21 lakhs against the gross demand of Rs. 29.71 lakhs.

Permanent Revenue.—The necessity of reducing the arrears of some of the tenants who were found accumulating rents for three quarters and over was referred to the Deputy Municipal Commissioner (Improvements) and due to his efforts the amount of arrears which was Rs. 5.58 on 31-3-1941, Rs. 5.44 on 31-3-1942 and Rs. 4.26 on 31-3-1943 has been reduced to Rs. 3.36 during the year under report.

Temporary Revenue.—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears, who in some instances, as reported by Audit, were companies and firms. Similarly in order to check future arrears, early action is needed in filing suits for ejectment of and recovery of arrears from the parties who generally heap up the arrears before action is taken and then become untraceable.

Schools Committee's Accounts.

(1) The irregularities in the Committee's accounts are of the following kinds :—

(1) Clerical errors of omission and commission.
(2) Technical breaches of rules and regulations.
(3) Measures involving waste or non-observance of propriety in expenditure.

Due to the persistent efforts made by Audit by issue of audit notes and instructions and occasional reports made to the Standing Committee, the irregularities of the nature described in items 1 and 2 are being brought under some control but the third one which affects economy in expenditure or prevention of waste needs greater care and control. There are instances of premature increments upto maxima of the grades given to some members of the staff and of irregular grant of allowances.

(2) The budget of the Schools Committee is also not being prepared and presented in the manner to facilitate control over details of expenditure like salaries, allowances and such other items according to the usual budget methods. It is also not on the standard adopted and followed by all other sister departments. Suggestions for the standardisation of the budget and preparation of the Establishment Schedule on the lines adopted by the Commissioner have already been made in my previous reports to which an early attention is requested.

(3) *New Recurring and Non-recurring Commitments.*—Several measures adopted or continued by the Schools Committee during the year, such as Promotion rules whereby unearned increments are allowed to the teachers in different grades for helping them to reach the maximum on the basis of 20 years' service, abolition of percentage cuts applied to the grants given to private institutions, continuance of training classes on a large scale, treatment of teachers under training as on duty for the purpose of pay, grant of trained teachers' grades to all the permanent teachers under the Schools Committee and virtual suspension of the 60 per cent., basis during the year as a special case, may no doubt be considered to be measures for improvement of the educational system in the city to a higher ideal state but these commitments have cost a great additional recurring and non-recurring burden on the finances of the Corporation.

(4) *Scope of "Primary Education" and activities other than "Primary Education"*:—During the year a question arose as regards the scope of Primary Education and whether the Schools Committee could be empowered by a Resolution of the Corporation to incur expenditure out of the fund put at their disposal for purposes other than "Primary Education". This question was referred to certain eminent counsels for opinion and Mr. Bhulabhai J. Desai's opinion that the scope of "Primary Education" was limited to certain primary vernacular standards and that for imparting education other than such "Primary Education" the Municipal Act contemplated a special committee, was adopted by the Corporation (Corporation Resolution No. 611, dated the 7th October 1943). Thereupon the Schools Committee referred to the Municipal Chief Auditor the question whether certain items of their activities were covered or not by the powers of the Schools Committee to spend money thereon. The Committee was advised to request the Corporation to obtain further legal opinion on those *specific* points and accordingly that question is still pending before the Schools Committee (Schools Committee Resolution No. 1001, dated the 14th December 1943).

This raised a questin of admitting the expenditure on those activities in audit for which a reference was made to the Standing Committee and the Corporation, who directed that the expenditure may be admitted in audit pending disposal by the Corporation of the report asked for by them from the Schools Committee (Corporation Resolution No. 1196, dated the 13th March 1944).

It seems to me, however, desirable to have a decisive ruling, at an early date, on the questions raised, so that the activities other than those of the "Primary Education" as construed by Mr. Bhulabhai J. Desai, may not be jeopardised but put on a legal basis and regularised.

Lastly, I may observe that the suggestions and observations in this audit report have been made by me in my own lights, fully realising the following remarks of the eminent Accountant and Auditor Mr. F. R. M. De Paula in his letter in the 'Accountant', dated the 31st October 1942:—

> "The profession, has no compelling powers, whatever its convictions may be, to enforce and carry them into effect, but it has opportunities of suggestions and persuasion which, the public may be assured, are exercised to the full. Generally speaking progressive directorates have not been slow to take advantage of the advice thus tendered. Nevertheless, the hard and inescapable fact is that, subject to the narrow limits of the statutory minima, the powers of an auditor in the matter of the presentation of accounts are persuasive only, and in case of boards which may be timid of innovation or overborne by the weight of tradition he is almost powerless. Under present conditions it is clearly incorrect to charge the profession with responsibility for admitted imperfections which are not of its own seeking."

This year there has been a delay of about two weeks in submitting this Audit Report to the Standing Committee. This delay is due to the annual accounts having been received for audit late by about one month from the Chief Accountant. As the audit report is required to be forwarded to the Corporation along with the Administration Report of the Commissioner it is necessary that the final accounts should be submitted by the Chief Accountant for audit at least by the end of July every year. It is trusted that necessary arrangement will be made from the next year to enable audit to forward the Audit Report to the Standing Committee in time for its inclusion in the Administration Report.

It may be observed that the staff allotted to this Department for test audit of the accounts of the Corporation in the Chief Accountant's Office, in the executive departments and in the office of the Schools Committee since its inception in the year 1938-39 is far less than the minimum required for carrying out percentage audit on the basis of established audit practice followed by audit departments of other public bodies like railways and the Government, as could be seen from my report on percentage audit underylying Corporation Resolution No. 373, dated the 5th August 1943. Besides, the volume of work has been steadily increasing since then as could be seen from the number of prooposals of the Commissioner for increases in the staff of the various departments including that of the Accounts Department sanctioned by the Standing Committee and the Corporation. Moreover, the qualified persons recruited in this Department from time to time find no attraction to stick to their posts on the present scales of pay with rare chances of promotions in future and are therefore found to join this Department merely as a stepping stone in service and leave it for better prospects in Government Departments or Commercial firms soon after. Fresh recruits are also difficult to obtain at present and therefore when the employees go on leave or resign, the different audit sections have to continue without substitutes. Due to all these reasons, the staff was very hard pressed throughout the year under report to cope with the work of checking the accounts of the various deparments. It has accordingly not been possible to bring the audit to the necessary percentage level reported in my letter No. M.C.A. 1517, dated the 25th November 1940, underlying the Corporation Resolution No. 373, dated the 5th August 1943.

In this connection attention is invited to my reports under No. M.C.A. 4160-I, dated the 10th February 1944 and the 23rd May 1944, for revising the scales of pay of the audit staff which is still under consideration of the Standing Committee (Standing Committee Resolution No. 292, dated the 2nd June 1944.)

Financial Position of the Corporation.

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal proper) was Rs. 403.99 as detailed in the margin against the Budget Estimate of Rs. 379.68, Revised Estimate of Rs. 387.46 and previous year's actuals Rs. 389.02. The realisation was thus better by Rs. 24.31 as compared with the original Budget Estimate and more by Rs. 14.97 as compared with the actuals of the previous year.

Actual revenue realised from the following Important sources:—		Rs.
1. General Tax	...	153.51
2. Water Tax	...	100.16
3. Halalkhore Tax	...	41.21
4. Fire Tax	...	6.73
5. Wheel Tax	...	16.47
6. Licences for trades, land conveyance and music	...	2.57
7. Town Duties	...	16.18
8. Return from property and miscellaneous	...	67.16
Total	...	403.99

Similarly, the actual expenditure charged to revenue was Rs. 390.96 as shown in details in the margin as against the Budget Estimate of Rs. 388.31 and previous year's actuals of Rs. 364·65. It thus resulted in excess of Rs. 2.65 over the budgeted amount and exceeded the previous year's actuals by Rs. 26.31. The year's working left a Surplus of Rs. 13.03 as against the budgeted deficit of Rs. 8.63.

Actual expenditure charged to Revenue under the following important heads:—		Rs.
1. General Superintendence	...	5.61
2. Assessment and Collection	...	7.84
3. Fire Brigade	...	3.40
4. Public Works (Engineering)	...	63.24
5. Public Health	...	35.02
6. Plague Expenses	...	0.99
7. Education	...	47.58
8. Medical Relief	...	23.59
9. Public Gardens	...	1.95
10. General Stores	...	0.76
11. Pensions, Gratuities and Provident Fund	...	13.20
12. Contribution to Improvement Schemes	...	26.27
13. Miscellaneous	...	8.66
14. Debt	...	124.58
15. Measures for Civil Defence	...	3.82
16. Grain Compensation	...	24.45
Total	...	390.96

The Revenue Fund at the end of the year stood at Rs. 97.31 and after deducting the amounts used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 64.01. This balance at the beginning of the year was Rs. 45.86 and it stood at Rs. 64.01 at the close of the year showing an increase of Rs. 18.15. A reference to the statement of Assets and Liabilities of the Revenue Fund will show that the actual amount of cash and securities held in the Revenue Fund Account was Rs. 187.08 (inclusive of Rs. 75.46 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 95.45 as detailed in the margin as against the Budget Estimate of Rs. 92.64, the Revised Estimate of Rs. 94.07 and the previous year's actuals of Rs. 87.28. The realisation was thus more by Rs. 2.81 as compared with the original Budget Estimate and by Rs. 8.17 as compared with the actuals of the previous year. The actual expenditure was Rs. 97.95 as shown in the margin as against Budget Estimate of Rs. 103.02, Revised Estimate of Rs. 101.71 and previous year's actuals of Rs. 103.48. It was thus less by Rs. 5.07 than the original estimate and by Rs. 5.53 than the actuals of the previous year. This left a deficit of Rs. 2.50 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 3.72 on account of outstanding charges.

Actual income of Improvement Schemes Account realised from the following main sources:—		Rs.
1. Rent and other sources of properties	...	54.75
2. Contribution from Municipal Corporation	...	26.27
3. Receipts on account of tobacco duty	...	10.00
4. Interest and profits on investments	...	4.02
5. Miscellaneous Receipts	...	.41
Total	...	95.45

Total expenditure charged to Improvement Schemes General Account under the following important heads:—			Rs.
A.—Maintenance of properties and Streets			18.46
B.—Cost of Management and Establishment	...	8.96	
C.—Proportionate cost on account of Municipal Supervision	...	0.88	
		9.84	
Less—Charged to General Account and Capital Account	...	9.84	
D.—Debt Charges			79.49
Total	..		97.95

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 46.80 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 46.80 leaving a balance of Rs. .20 on 31st March 1944. It might be mentioned here that the expenditure

Income—		Rs.
Contribution from Municipal General Fund	...	46.43
Fees	...	0.30
Interest on investments of Trust and other funds		0.06
Miscellaneous	...	0.01
Total	...	46.80

of Rs. 4 .80 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection. Adding this, the total expenditure on the Primary Education of the City works out to Rs. 49.54. Against this the amount of contribution received from Government during the year was Rs. 9.36.

Expenditure—

Administration of Municipal Schools	..	44.57
Repairs to Municipal School Buildings	...	0.11
Grant-in-aid to School	..	2.12
Reading Rooms and Libraries	...	...
Total	...	46.80

The Capital Account (Municipal) started with an opening balance of Rs. 17.30. Additional funds made available during the year were Rs. 11.00 by raising new loans to the extent of Rs. 10.00 and by taking an advance of Rs. 1.00 from the Municipal Special Funds. The actual expenditure booked was Rs. 19.03 against the Revised Estimate of Rs. 40.45 leaving an unspent balance of Rs. 9.27. The actuals fell short of the Revised Estimates by 53 per cent. This shows a large disparity between the estimated and actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly, the Capital Account (Improvements) started with an opening balance of Rs. 83.43. Receipts during the year amounted to Rs. 42.12. Against this, the actual expenditure was Rs. 4.96 on schemes, Rs. .01 for repayment of loans and Rs. 2.50 for meeting the deficit in the General Account=Total Rs. 7.47. The balance left in the Capital Funds at the end of the year was thus Rs. 118.08.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1943 were Rs. 348.57. Credits during the year amounted to Rs. 35.08. The debits booked during the year amounted to Rs. 15.41, leaving a total amount of Rs. 368.23 in the Funds out of which Rs. 304.64 were invested in cash and securities and Rs. 63.59 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the report. Net accretions of the Special Funds during the year were Rs. 19.66.

The balances of the Sinking Funds, Municipal and Improvement Schemes Accounts, amounted to Rs. 332.84 and Rs. 330·20 respectively at the book value of securities.

There was a net decrease in the loan liabilities under the Municipal Account and the Improvements Account during the year by Rs. 53.86 and Rs. 5.08 respectively. Excluding the balances and liabilities of the Special Funds which have been shown in details in the body of the report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1,406.87 for Municipal Account (Proper) and Rs. 1,612.81 for Improvements Account, total Rs. 3,019.68. Against this, the Sinking Fund accumulations at the book value of securities amounted to Rs. 332.84 in the Municipal Account and Rs. 330·20 in the Improvements Account, total Rs. 663·04. The percentages of debt charges on total expenditure of the Municipal Account and the Improvement Schemes account are 31.86 and 81.14, respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1944 held in Office Treasury, Banks and Public Securities amounted to Rs. 12,82,99,191—2—0.

It will be seen from the income and expenditure that the financial position of the Corporation for the year under review was quite sound. Inspite of the additional expenditure to the extent of Rs. 26.31 lakhs over that of the previous year the year's working left a satisfactory srurplus of Rs. 13.02 lakhs. However, this surplus is mainly due to the City's present war time industrial activities and may not be maintained after the return of peace.

MUNICIPAL OFFICES,
BOMBAY, *5th October 1944.*

R. C. MEHTA,
Municipal Chief Auditor.

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of Accounts:—

There are three main divisions of Municipal Accounts:—

I.—Municipal Accounts (Proper).
II.—Improvement Schemes Accounts.
III.—School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be sub-divided into:—

A.—Revenue Account.
A1.—Suspense Account.
B.—Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into:—

(*i*) General Account.
(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes, and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year, such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further sub-divided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of Accounts of the Corporation published in the Bombay Government Gazette from week to week.

THE ACCOUNTING SYSTEM.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3(0) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With the exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of:—

(*a*) Hongkong and Shanghai Banking Corporation,

(*b*) The Chartered Bank of India, Australia and China, London,

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and his Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collection of Municipal dues from taxes, rents of buildings and lands, sale of rights, licence and other fees, etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes, payment of dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor Budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(*iv*) *Payments.*

All bills of establishments, contingencies, works, supplies, etc., received from the departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts not exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans of the the Trust through Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, London.

(*b*) *Daily Accounting.*

The day-to-day transactions of receipts, payments and adjustments are introduced into the main accounts through Day Books. In case of expenditure, prior to passing bills for payment, they are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income, similar arrangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up. As regards miscellaneous advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(*c*) *Weekly Accounts.*

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee (*vide* Section 135(1)).

(*d*) *Annual Accounts.*

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(*e*) *Nature of Audit Check Applied.*

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

Municipal Accounts.

Expenditure.

The transactions covered by Audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the head 'Advances', a separate report is being submitted as usual.

Some of the typical errors and ommissions noticed during the year under report are summarised as under:—

(1) *Advance payments made to Solicitors, Government and other Local Bodies pending receipt of detailed accounts.*

M.C.A.4169/I 16-2-1944.

Inspection of the objection books maintained in the Chief Accountant's Office for recording payments made to the Legal Assistant, Municipal Solicitors, Government and other local bodies pending receipt of the detailed accounts from them showed that in 68 cases pertaining to the period prior to 31-3-1942 and involving a sum of Rs. 1,13,006-10-11 no detailed accounts were received. A reference has been made to the Chief Accountant to clear the advances to which a reply is awaited.

(2) Excess or wrong payments and errors and omissions.

(*a*) The following cases of excess or wrong payments and omissions and of recoveries or short remittances were noticed of which recoveries were made at the instance of audit:—

Serial No.	Case number and date.	Amount.	Particulars.
		Rs. a. p.	
1	M.C.A. 3623/I of 4-5-1943	... 18 0 0	Special pay for Auxuliary Fire Service drawn by the Assistant Officer Commanding Fire Services during leave from 22-9-1942 to 30-9-1942.
2	M.C.A. 3767/I of 13-7-1943	... 2 2 0	Payment of wages to a peon in the Chief Accountant's Office for 2 days when he was on Leave without pay.
3	M.C.A. 3948/I of 7-10-1943	... 0 10 0	Excess payment of grain compensation to a sweeper woman at Victoria Gardens in June 1943.
4	M.C.A. 4002/I of 11-11-1943	... 10 3 0	Conveyance allowance paid to a temporary sub-overseer, Drainage Branch, during the period of leave.
5	M.C.A. 4054/I of 13-12-1943	... 10 0 0	Payment of grain compensation allowance for March 1943 to the Engineer at A. C. Market Refrigerator to which he was not entitled.
6	M.C.A. 4042/I of 6-12-1943	... 9 8 0	Excess payment of grain compensation allowance to an Inspector Hydraulic Engineer's Department for January 1943.
7	M.C.A. 4087/I of 3-1-1944	... 13 6 0	Difference between the actual salary drawn and the average pay admissible to a junior sister while on leave during September 1943.
8	M.C.A. 3785/I of 21-7-1943	... 3 6 0	Excess payment of leave salary to a clerk in Municipal Secretary's Office.
9	M.C.A. 4067/I of 18-12-1943	... 0 8 0	Excess payment of grain compensation allowance to a Mistry in Water Works Department in August 1943 paybill.
10	M.C.A. 3779/I of 20-7-1943	... 24 4 0	Interest on Provident Fund claim not admissible to an employee in temporary service in the K. E. M. Hospital.

(*b*) The following are the cases in which errors and omissions were brought to the notice of the Departments and got rectified or instructions were issued for future guidance :—

Serial No.	Case number and date.	Particulars.
1	M.C.A.3608/I of 28-4-1943 M.C.A. 3599/I of 22-4-1943 M.C.A.3619/I of 4-5-1943 M.C.A.4191/I of 24-2-1944	Amounts not allocated to proper budget grants.
2	M.C.A.3963/I of 19-10-1943	... Amount charged to current year's grant instead of against renewed grant.
3	M.C.A.3563/I of 6-4-1943	... 4 Posts of temporary watchmen created by the Municipal Commissioner to guard the reclaimed ground at Deonar from 1-4-1942 were not shown in the monthly statements submitted to the Standing Committee for sanction for 8 months from July 1942 to February 1943.
4	M.C.A. 3802/I of 29-7-1943	... A pension bill for Rs. 188-10-0 taken in the summary of such bills for Rs. 60 only, omitting the deduction of Rs. 34-8-0 and Rs. 94-2-0.
5	M.C.A. 3857/I of 26-8-1943	... Refund memo not certified by the Head of the Department passed for payment by the Chief Accountant's Office.
6	M.C.A. 3858/I of 26-8-1943	... Amount proposed for refund by the Department wrongly adjusted to Municipal revenue by the Chief Accountant's Office.
7	M.C.A. 3812/I of 3-8-1943 M.C.A. 3718/I of 25-6-1943 M.C.A. 3934/I of 30-9-1943 M.C.A. 3933/I of 30-9-1943 M.C.A. 3938/I of 4-10-1943 M.C.A. 4004/I of 14-12-1943 M.C.A. 4017/I of 24-11-1943	Excess deductions on account of provident fund subscriptions made from the salaries of Municipal employees.
8	M C.A. 3799/I of 29-7-1943	... Compensating errors in the interest columns of the summary of provident fund accounts for 1942-43.
9	M.C.A. 3983/I of 25-10-1943 M.C.A. 4007/I of 18-11-1943	... Variations in the quantities of medicines supplied as shown in the bills and in the indents accompanying the bills.
10	M.C.A. 4139/I of 27-1-1944	... Note of refund from the subscriptions to the fidelity guarantee fund not taken in the register to guard against the claim being passed a second time.
11	M.C.A. 4132/I of 24-1-1944	... Certificate of receipt of supply not obtained by the Chief Accountant, while admitting the details of the expenditure for the amounts advanced to the Superintendent of Vaccination.
12	M.C.A. 4170/I of 16-2-1944	... Bills not countersigned by the Heads of Departments for which the works were carried out.

(3) *Rules, Procedure, etc.*

Irregular operation of Budget Grants:—It was pointed out in the ast year's Audit Report that the estimates of repairs and other minor works for roads, etc., costing less than Rs. 500 were not being sent to the Chief Accountant for noting and therefore he was not aware of the liabilities incurred against each grant during the year and his control over the incurrence of expenditure so as to restrict it to the available balances of grants was ineffective though he could restrict the actual booking of expenditure within the Budget Grant, after the liabilities were incurred and bills came for payment. The notes taken for these items in the City Engineer's Office were also incomplete and therefore it was not possible for that Department too, to ascertain outstanding liabilities at any particular time.

M.C.A.3528/V
15-3-1943.

The defect being pointed out to the City Engineer, steps have been taken to see that the notes of expenditure were taken as a rule in each case before passing on the bills for adjustment to the Chief Accountant so as to ascertain at any time the exact liabilities against the Budget Grants. The City Engineer also states that all such cases will be sent to the Chief Accountant for his information in future.

A sum of Rs. 3,048-8-0 was found paid by debit to Revenue Grant under Law Charges during 1941-42. Next year necessary provision was made under Loans Funds and the amount was transferred thereto. This practice of debiting a grant where funds exist for want of provision under appropriate head in the expectation of the grants being sanctioned later on, is against the budgetary principles. The Chief Accountant was accordingly advised to avoid it in future. However, during 1943-44 it was noticed that the expenditure incurred in connection with the work of improving the corner at the Wodehouse Road junction with Kittredge Road amounting to Rs. 364-14-0 was in the first instance debited to the Revenue Grant for repairs and maintenance of roads and subsequently adjusted to the correct budget head under loan works after the necessary grant was got sanctioned. (The Chief Accountant's Voucher No. 74284 of 31-3-1944, J.E. VI). It is hoped that the Chief Accountant will issue strict instructions to the staff to check this practice.

M.C.A.3735/I
30-5-1943.

The work of widening the bridge at Love Grove was sanctioned to be crarried out at a cost of Rs. 3,55,592 and the expenditure booked thereagainst upto 31-3-1940 was Rs. 3,14,840. In 1940-41 no budget provision was made but further charges for Rs. 944 were booked and met out of the provision made in the revised estimates of that year. In a similar way a sum of Rs. 5,793 was spent during 1941-42. Further expenditure of Rs. 1,015 and Rs. 2,110 was also found booked during 1942-43 and 1943-44, respectively. The City Engineer's reply to audit query showed that small items of works not provided in the original estimates are being taken up from time to time and carried out from the savings shown in the estimates. The practice of utilising the savings in the sanctioned estimates in the manner indicated above and of allowing the works to linger on for years after their virtual completion according to the original estimates is undesirable, both from the point of view of control according to the sanctioned estimates and of prevention of waste in respect of supervision and such other charges.

M.C.A.3588/I
3-12-1943.

A sum of Rs. 19,839 was found spent by debit to advances during 1942-43 for providing guard rails at important junctions in the City at the instance of Government and was recouped from them during 1943-44.

M.C.A.3742/I
5-7-1943.

On an audit query as to why no deposit was recovered from Government before spending funds from advances, the City Engineer explained that the work was for traffic ameneties for the public and the Commissioner of Police had agreed to make payment of bills out of the allotments sanctioned by the Government. It may be observed that in cases where exception to the rule is made and money is spent out of the advances without cover in the deposit account for works on behalf of Government or public bodies, prior sanction of the Corporation is necessary.

Charges for the replacement of electric bulbs of the street lamps by the Electric Company during the period from January to March 1943 were found debited to the grant for the year 1943-44. The Chief Accountant's reply to audit query is awaited.

M.C.A.4235 I
27-3-1944.

Allocation of charges between Revenue and Capital:—It was pointed out last year that the cost of constructing carriage entrances borne in whole or in part by the Municipality is being charged to Revenue in Budget 'B' from the year 1940-41, which according to the provisions of the Act in this behalf is not in order. It was also pointed out that the transfer of such expenditure from Capital to Revenue in the Budget without previous approval of the Standing Committee and the Corporation by itself, is no authority to over-ride the statutory provisions.

M.C.A.3528 V
15-3-1943.

The Municipal Commissioner in his memo, dated the 25th May 1944, explains that it would have been desirable if the change was specifically brought to the notice of the Corporation and their sanction obtained but since the Budgets have been sanctioned by that body the matter need not be persued further.

In compliance with the Corporation Resolution No. 466, dated the 26th August 1943, Mr. Modak, the City Engineer, attended the session of the Road Congress at Gwalior in October 1943, when at the request of the Gwalior Government he examined the schemes prepared by the State Engineers for the improvement of water supply and drainage for the City of Ujjan and submitted his report to that Government after visiting Ujjan.

M.C.A.4168 I
12-2-1944,
&
M.C.A.12 I
8-4-1944.

Similarly, at the request of the Tata Chemicals, Ltd., Bombay, Mr. Modak, was authorised to visit the Company's works at Mithapur and advise them on the sanitary arrangements needed for the town without detriment to Municipal work. (Works Committee Resolution No. 167, dated the 14th September 1943 confirmed under Corporation Resolution No. 716, dated the 25th November 1943).

While applying for these permissions the Commissioner stated that similar permission was granted to Mr. H. J. Trivess Smith, Hydraulic Engineer, under Corporation Resolution No. 2124, dated the 4th July 1912

Sanction under Rule 47 of the Municipal Service Regulations has also been accorded by the Corporation to Mr. Modak being allowed to accept an honorarium of Rs. 1,000 and Rs. 1,500 for the above works paid by the Gwalior Government and the Tata Chemicals respectively.

Section 72(2)(*b*) of the Municipal Act provides that each of the Officers appointed under Section 74(1) (*i.e.*, the City Engineer, the Executive Health Officer and the Hydraulic Engineer) *shall devote his whole time and attention* to the duties of his office. Exception to this principle has been made subsequently in case of the Executive Health Officer by Section 74(3)(*ee*) which runs as under:—

> "(*ee*) the executive health officer may accept for such period, as may be sanctioed by the Corporation any appointment, whether honorary or otherwise, which has for its object the promotion of public health, whether by means of education or otherwise, and which in the opinion of the Corporation would not interfere with his duties as executive health officer."

It may be observed that, in spite of the precedent of 1912 quoted by the Commissioner, in view of the fact that the exception made in the case of the officer under Section 74(3)(*ee*) is not extended to other officers, it is desirable to ascertain if the practice is legally permissible. The papers in that connection though called for in April 1944, have not been received upto the time of writing this rport inspite of two reminders.

The staff of the Municipal Fire Brigade falling under Class III as defined in Rule 148 of the Municipal Service Regulations is entitled to leave on full pay while on sick leave. For leave other than sick leave, this staff is governed by ordinary leave rules. The ordinary leave rules have been revised and the revised rules are applicable to 'new entrants', *i.e.*, those who entered service on or after 16-7-1931. It has, however, been observed that the Chief Accountant has been certifying leave other than sick leave to the new entrants of this class according to the old leave rules. The Chief Accountant being questioned argued to say that it was not the intention of the Standing Committee and the Corporation to reduce the benefits granted to this class of employees under the old rules when the rules were revised. There is nothing to show the intentions but under the rules as they stand the practice followed by the Chief Accountant is not in order. The matter has been again referred to him and the reply is awaited.

M.C.A.3635 I
7-5-1943.

An employee in temporary service in the K. E. M. Hospital was granted leave without pay for 1 year and 11 months and 15 days as against the maximum period of 3 months admissible to him under Rule 11(2) of the Revised Leave Rules. He resigned on the expiry of this leave. Audit objection was raised as to his being treated as in Municipal Service for more than 3 months of the leave without pay and to his being paid interest on the Provident Fund balance after that period. As a result, the excess leave was cancelled and Rs. 24-4-0 on account of excess interest allowed were reduced from his provident fund claim.

M.C.A.3779 I
20-7-1943.

"Leave not due" was certified by the Chief Accountant and granted by the City Engineer to an employee on full pay instead of on half-pay. It appears that the mistake having been detected, the whole amount of salary which remained unpaid as the employee did not turn up to receive it on the pay day was credited back to the grant. To an audit enquiry the Chief Accountant explained that the City Engineer modified the leave into leave without pay as the condition that the employee would return to duty and earn the advance leave was not likely to be fulfilled in that case. In contrast to this explanation the Chief Accountant's reply in another case of the Hydraulic Engineer's Department where audit suggested that recovery should be made from an employee who was granted leave not due in advance and resigned and left the service, was to the effect that the Municipal Service Regulations do not contemplate recovery when the leave was once granted.

M.C.A.4151 I
3-2-1944.

The Chief Accountant may see the desirability of following uniform practice.

A clerk on probation in the Licence Department died before completion of the probationery period. Municipal contribution to his provident fund was, however, granted to him on the ground that (as explained by the Chief Accountant) although the employee was not confirmed at the time of his death, the Licence Superintendent who was the confirming authority, was also the sanctioning authority for grant of Municipal contribution to the provident Fund. In contrast to this no Municipal contribution has been given to the heirs of the late Dean Dr. Padshah of the G. S. M. College who died while on probation on the ground that the appointing and the confirming authority was the Corporation and Dr. Padahsh was on probation at the time of his death.

M.C.A.3667 I
20-5-1943.

Strange interpretations indeed !

M.C.A.3756/I
8-7-1943.

An employee of the Conservancy department was found charged at full pay instead of at average pay although he was on leave from 20-3-1943. The Head Supervisor explained that it was customary for his office to charge the employees, allowed to proceed on leave in anticipation of sanctions, at full pay and to recover the excess from the unpaid wages refund certificates.

The practice of charging the employees on leave at a full-pay before ascertaining the pay admissible to them, in the hope of making recoveries of excess, if any, subsequently, is not correct.

M.C.A.3974/1
22-10-1943.

It was reported last year that a watchman was found to have been granted 4½ months' leave in excess of the limits laid down under the rules applicable to him. The reply received showed that the records maintained for the inferior staff were not proper and the excess leave was granted to him inadvertantly.

M.C.A.4035/I
6-1-1944.

It was noticed in some cases that the persons incapacitated for further service by the Municipal Medical Examiner were served by the Hydraulic Engineer's Department with 3 months' notice before their services were terminated. Retention of labour staff in Municipal service after 55 years of age was subject to their being physically fit and no notice is therefore necessary to terminate their services after receipt of the Municipal Medical Examiner's certificate. To an audit query the Hydraulic Engineer explained that notices were served inadvertantly.

M.C.A.3800/I
29-7-1943.

In the unpaid wages refund certificate in respect of food rationing work the amounts payable to several employees were more than one and in respect of each such amount one anna revenue stamp was recovered from them by the Health Department. The stamp required for the total payment under various items made to one employee under the same voucher is anna one only. The recovery made by the Department in respect of each item was therefore in excess by Rs. 5-7-0. This excess was neither remitted to the Municipal Treasury nor refunded to the employees concerned but remained in the cash box of the office for over two months. On an audit enquiry the Department refunded the amounts to the employees concerned and explained that the clerk took time to collect the information regarding the employees entitled to refund, etc., and that he was fined Rs. 5 and warned against a recurrence of such incidents in future.

M.C.A.4055/I
13-12-1943.
M.C.A.4058/I
14-12-1943.

A refund of Rs. 632-13-0 to the Controller of Supplies, Government of India, on account of refund of town duty on extra bags exported out of the consignment received, as also the two refunds & of Rs. 166-4-0 and Rs. 254-0-0 on account of incorrect declarations of weights in the export notes, were allowed by the Municipal Commissioner, although, they were inadmissible under the provisions of the Municipal Act and the Town Duty Refund Rules made thereunder. The Commissioner on behing requested to state authority under which the breaches of the provisions of the Municipal Act and the rules could be waived or condoned by him, necessary sanction of the Standing Committee was obtained. (Standing Committee Resolution No. 220 of 19-5-1944).

M.C.A.4218/I
6-3-1944.

While scrutinising a provident fund claim of a cooly in the Road Department it was found that he was often absent from duty and there was no mention of total leave without pay enjoyed by him and that no rent for an additional room occupied by him was recovered from him. The claim is returned with audit query to which reply is awaited.

(4) *Internal check.*

E.H.1587/S.R.
30-11-1939.
&
A.E.675
31-7-1941.

As stated in the last audit report, approved list of the duties of the officers and other staff in connection with the handling of cash, stores and accounts in the Chief Accountant's and other Municipal departments, essential for the purpose of fixing responsibility on the persons concerned in case of default, ordered by the Municipal Commissioner to be prepared some four years back has not so far been received by Audit.

M.C.A.4199/I
24-2-1944.

Reply has not so far been received to the query made on 24-2-1944 as to whether there was any loss of petrol due to excess issue per gallon on account of defect in the gauge of the pump.

M.C.A.3618/I
3-5-1943.

On persual of papers of a suit filed in the High Court for recovery of taxes, a sum of Rs. 1,342-6-0 recoverable from certain parties as per High Court orders was found left unrecovered.

The Assessor and Collector has been requested to effect recoveries thereof and to state how such demands were recorded in the books of his office to ensure against omissions of recoveries.

Reply is awaited.

M.C.A.3624/I
28-5-1943.

Twnety two advance payments amounting to Rs. 16,074-7-0 made to the Controller of Stores for purchase of materials from the market from December 1942 to May 1943 were found unaccounted for till 28-5-1943 in the Chief Accountant's books. It is not desirable to allow such long period to pass for submission of detailed accounts for the purchases made in cash. The matter was referred to the Department through the Municipal Commissioner and the needful was done.

M.C.A.3810/I
31-7-1943.

From the register of moneys sent with letters during the year 1942-43, 21 cases of moneys sent were found without receipts from the parties although a long time had elapsed after payments were made. A reference was made to the Chief Accountant and the needful was got done. However, there remained two cases where moneys were sent by demand drafts to a foreign country. The Chief Accountant explained that efforts were made to get receipts but due to war situation further communications were not received despite reminders.

M.C.A.3907/I
22-9-1943.

As reported last year, the Chief Accountant had agreed to get the pay-masters account tallied at the close of the year by taking out detailed outstandings of unpaid wages deposits. The instructions were, however, not found carried out while closing the accounts on 31-3-1943. On a reference, the Chief Accountant explained that the outstandings on account of unpaid wages as on 31-3-1943 could not be taken out in the register owing to abnormal increase in the outstanding items due to the differences of dearness allowance paid at different times and that the suggestion would be given effect to in 1943-44. This has been duly done.

On a test check of indents and gate passes with the stock ledgers at the Ghatkopar Office of the Hydraulic Engineer's Department which was carried out on 3-3-1944 it was noticed that one C. I. Branch Pipe was shown as issued under indent No. 361 on 3-12-1943 in the line suspense stock ledger while actually it was not issued. The Hydraulic Engineer explained that an indent was placed for the C. I. Branch as the same was required for work at Sion and a remark 'issued' was made in the line suspense ledger taking the same on general stock ledger. As the work was, however, held up for want of materials the branch could not be used and no gate pass could be made. Such a mistake can be avoided if the entries in the ledgers are made only after the gate passes are issued. Moreover the remark 'issued' made in the ledger was not correct. It should have been 'the item transferresd to general stock ledger'.

M.C.A.4225/I
16-3-1944.

The Register of unclaimed dues and deposits credited to revenue maintained in the Chief Accountant's office were found incomplete in as much as certain amounts credited to Revenue during 1942-43 were found not recorded. The figures entered therein were not reconciled with the amounts credited to "unclaimed dues and deposits" during the year. As this register is to serve as a reliable record to verify the claims of refunds, if and when received, it was suggested that the Chief Accountant should see that each year the figures taken on the registers were totalled and reconciled with the total sum credited to revenue under attestation.

M.C.A.3738 I
23-7-1943.

He has since agreed to do so.

(5) *Imprest Accounts.*

The amount of petty cash advance with the various Municipal Departments as on 31st March 1944 was Rs. 20,356-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of the charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking. However, in reply to the similar audit observations made last year in this matter the Chief Accountant stated that the Test Audit Officer did the work of checking the Imprest Accounts periodically himself.

(a) *Miscellaneous Departments.*

During the year, in 41 cases surprise test checks of the Imprest Accounts of various departments were made. The irregularities and defects noticed in the accounts were communicated to the departments through the Commissioner. Defects of common nature are summarised as under:—

(1) Payments made without sanctions.
(2) Payments made without obtaining proper discharges from the payees.
(3) Full and detailed particulars of travelling done not given in some conveyance bills.

With a view to effect economy in the use of paper the practice of submitting bills by Municipal employeees for conveyance charges was discontinued by the departments under the orders of the Commissioner. In the circumstances the entries made in the contingent account book for payments are required to be properly attested by a responsible officer and signed by the persons receiving the payments. Audit scrutiny of these charges, therefore, mainly relates to see whether the charges are fair and reasonable; that they are properly sanctioned and that the payments are duly acknowledged by the payees in the register.

Some typical instances of irregularities noticed are given below:—

On actual count the cash in the Commissioner's Office was found in excess by annas two and pies nine. The Office was directed to pay it into the Treasury. This was complied with.

M.C.A.3959/V
18-10-1943.

The imprest account of the Legal Assistant's Office contained several items of conveyance charges for Legal Assistant himself and peons for taking papers home from office and back. Audit enquired of the circumstances under which these charges had to be incurred and paid out of imprest. Reply is awaited.

M.C.A.3971/V
22-10-1943.

In the imprest account of the Town Duty Office, a sum of annas four, which remained unpaid to a peon who forgot to sign and receive it when he attended office and could not come from Sion to Head Office till 11-1-1944 was taken on the expenditure side of the contingent register in the month of December 1943 and recouped in the monthly bill from the Chief Accountant. The amount ought to have been duly deleted from the account when it was closed and balanced on 31-12-1943.

M.C.A.4121/V
18-1-1944.

A checking Inspector in receipt of a conveyance allowance of Rs. 15 per month was found to have been paid train-fare from Sion to Kurla and back on two occasions. As a result of audit query the Deputy Commissioner has passed orders that in cases where actual fares are required to be given to employees sent on duty outside the City limits in addition to their monthly conveyance allowances special sanction of the Commissioner should be obtained. In this connection it may be observed that audit has come across a similar instance in the Water Works Department where also persons in receipt of monthly allowances are allowed to draw train-fares when sent on duty outside city limits. The question of applying these orders uniformly to all the departments requires consideration.

An amount of Rs. 15 paid out of the imprest of the Assistant Engineer, Maintenance, (Water Works) on 12-2-1944 for purchase of one steel bar, was not booked till 27-3-1944, and was treated only as a sub-advance. The voucher also did not bear sanction. From the reply received to audit query it appeared that the voucher could not be booked so long, in absence of proper sanction which was subsequently obtained.

M.C.A.4237/V
27-3-1944.

The imprest account of the Outside City Division of Water Works Department contained several items of train fares, for coming to and going back from the city, paid to the Assistant Engineer and the Mechanical Inspector, getting respectively Rs. 25 and Rs. 20 per month as conveyance allowance. In this connection it may be observed that these officers when on duty on the pipe line or on stations attached to the pipe line have got at their disposal the Municipal trolleys and for their occasional visits to the city they are paid actual train-fares from the contingent account. The question arises on what ground the monthly conveyance allowances can be paid to them from the Municipal Fund. Reply to the audit reference is awaited.

M.C.A.4239/V
27-3-1944.

Although a carpenter is borne on the Schedule of the Malaria Department a sum of Rs. 7 was advanced to the Conservancy Department by the Assistant Health Officer, Malaria, for repairing six chairs. Reply is awaited.

M.C.A.4113/V
17-1-1944.

Cash balance of the Assistant Health Officer, E Ward Office, was found in excess of annas three. This being referred to the Department the excess amount of annas three was remitted to the Treasury and the person concerned was warned to be careful in keeping imprest account by the Executive Health Officer.

M.C.A.4115/V
17-1-1944.

In November 1943, six bags of charcoal were purchased locally at a total cost of Rs. 27-3-0 by the Medical Officer, Victoria Road Maternity Home, through imprest cash. Being a scheduled item the Department was asked to give reasons for such local purchases. It was explained by the Controller of Stores that the Medical Officer was requested by him to make purchases locally to avoid inconvenience as the indented material could not be supplied by him being out of stock then.

M.C.A.4120/V
18-1-1944.

News-papers for patients were being purchased through the imprest cash at the Turner Sanatorium but the charge was debited to the contingent grant instead of to the Poor Box Charity Fund. Petty cash vouchers did not bear signature of the Matron who made payments. Needful was got done.

M.C.A.4136/V
26-1-1944.

In the imprest account of the G. S. M. College there was a mistake of anna one in the revenue stamp account which resulted in excess of cash by anna one. This being referred to the Department the excess amount was remitted to the Municipal Treasury.

M.C.A.4236/V
27-3-1944.

A peon of the Municipal Analyst's Office was paid tram-fare for going to the Mechanical Engineer's Office although he was provided with a residential season ticket from Marine Lines to Bombay Central. The question being referred to the Department, the Commissioner issued instructions that peons should use their railway passes except when it is absolutely necessary to travel by other means.

M.C.A.4052/V
11-12-1943.

A reference was made in the last audit report in respect of a sum of Rs. 14 paid out of imprest money by the Welfare Organizer for repairs to a gramaphone instead of sending the bill to the Chief Accountant for payment in the year 1941-42. A reply has been received stating that the procedure to incur expenditure above Rs. 10 without the necessary sanction has since been discontinued.

M.C.A.2349/I
27-10-1941.

On actual count cash of the sub-advance granted to the Time-Keeper from the imprest amount of the Mechanical Engineer was found short by annas eight. This was due to wrong totals of the conveyance charges register. To an audit reference the Mechanical Engineer explained that the shortage was partly due to the workmen not claiming their amounts in time till the beginning of the following month which resulted in incorrect totals; and that the necessary instructions have been given to the Time-Keeper.

M.C.A.4092/V
5-1-1944.

An amount of annas six was found in excess in the imprest cash with the dispatch clerk of the Assistant Engineer's (Architectural Branch) Office. It was explained to be due to private money used by another clerk in absence of the permanent dispatch clerk for affixing stamps to certain urgent letters. The excess amount was restored to the person concerned.

M.C.A.4135/V
21-1-1944.

In the Shops and Establishment Office of the Licence Department certain entries were not attested by the sanctioning authority in the contingent book. The head clerk of the office was unable to state definitely which of the items were paid. Two of the items were found discharged though not sanctioned. Explanation for the irregularity was called for and recorded.

M.C.A.3651/V
12-5-1943.

In the contingent register of the Gardens Office an amount of Re. 1 sent on 24-9-1943 by post was not booked till 30-9-1943. Explanation was called for and recorded.

M.C.A.4028/V
30-11-1943.

(*b*) *Chief Accountant's Department.*

Imprest Account of the Chief Accountant's Office was test examined on 6-11-1943 when it was noticed that the account for the month of October 1943 was not closed and balanced. Discharges were also found signed in the Register even before the payments were sanctioned. A certificate in the terms that the balance in hand was counted and found correct was not recorded by the officer responsible for accounting of the imprest money. The Chief Accountant explained that the imprest account was prepared twice a month and the half-monthly account ending 31-10-1943 was in the process of being closed on 6-11-1943 and that the proper procedure would be followed in future in keeping the account.

M.C.A.4000/I
10-11-1943.

(*c*) *Assessor and Collector's Department.*

As reported last year the Assessor & Collector and the Chief Accountant were requested to reconcile the account of the deposits with the Railway Company paid out of the imprest account, as the contingent account book showed Rs. 36 as deposits for season tickets whereas the Register of season tickets showed only 31 passes on that date. Besides this, a wrong procedure was being followed of crediting amounts of deposits received back from the Railway Company to the grant under "Contingencies". A reply was received during this year stating that such deposits as were credited to "Contingent Account" were recouped and that the account of the deposits was reconciled.

M.C.A.3617/IV
1-5-1943.

6. *Miscellaneous.*

It may be remarked that the realisations from fines imposed by the Courts for offences against provisions of Municipal Act was a source of Municipal revenue prior to 1-4-1939 by virtue of provisions of Section 111 of the Act. Since however, this provision has been dropped in the Government of India's (Adaptations of Indian Laws) Order 1937, legal title of the Corporation to this revenue has ceased and instead the Bombay Government have been paying grant-in-aid from 1-4-1939 on the basis of the realisations of fines paid into the Government Treasury after meeting all expenses in connection therewith. Thus the basis of these receipts is the same as formerly. However, formerly the respective departments of the Municipality used to maintain registers of the fines imposed by the Courts and to watch the recoveries outstanding thereagainst. These registers have been discontinued from the year 1939-40 presumably because the receipts are no more a source of revenue to which the Municipality is legally entitled and accordingly the Municipal Departments have no control what so ever over their recoveries and outstandings. In the circumstances, it is desirable if the Government are persuaded to send at least an annual statement of outstandings so as to enable the Municipality to find out the percentage of outstandings from year to year.

M.C.A.1117/V
14-5-1940.
&
M.C.A.1967/V
30-4-1941.

In this connection, a statement showing the recoveries of arrears of fines made by Government and paid into the Municipal Treasury and balance, if any, recoverable from Government in respect of the period prior to 1st April 1939, which was called for from the Chief Accountant has not so far been received.

M.C.A.3299/I — 23-12-1942. An audit note was sent to the Municipal Commissioner in respect of the anomalous position created by the grant of full grain compensation allowance to part-time workers, in as much as they were better treated than their colleagues who were working whole time in the Municipality and had no other jobs outside. The Commissioner ultimately agreed to its unfairness and has issued orders to grant full dearness allowance only to those part-time employees who have no employment outside and half dearness allowance to those part-time employees who have got employment outside.

M.C.A.3386/I — 1-2-1943. It was reported last year that due to the failure of certain departments to indent full quantity of their requirements for the year 1942-43 from the Stationery Contractors Messrs. Mansukhlal Sukhlal & Co., the Municipality could not get the advantage of 2½ per cent. commission offered by them. The Chief Accountant forwarded only the Hydraulic Engineer's reply who stated that full quantities could not be indented at a time for want of place. No other department has replied to the audit query.

M.C.A.3612/I — 19-5-1943. A sum of Rs. 40 was paid to the Dean for supplying a human articulated skeleton to the G. S. M. College, for teaching students. The payment was sanctioned by the Dean himself. It may be remarked that the practice of sanctioning expenditure by the sanctioning authorities for themselves is against the rule of financial propriety and instructions should be issued to avoid it in future. Rule 19 of the Municipal Servants' Conduct Rules should also be kept in mind. Reply to audit note is awaited.

M.C.A.3710/I — 23-6-1943. Advances to Municipal employees out of "Fines Fund" sanctioned to be paid under Corporation Resolution No. 15, dated the 9th April 1942 to enable them to send their families to their native places during the period of scare created by the conditions of war in 1942, were continued to be paid during 1943-44 although the necessity for the same had ceased due to improvement in war situation. A reference was made to the Commissioner who passed orders that no further payment of advances should be made.

M.C.A.3725/I — 28-6-1943. The quarters of the Officer Commanding Fire Services were shifted to a hired building for which the Municipality paid a monthly rent of Rs. 275. However, for calculating the average rate of income tax on the salary of the Officer the amount of rent for the free quarters was taken at Rs. 100 per month as before. To an audit query the Officer Commanding Fire Services replied that the change of quarters was a temporary one and was at the instance of Government and therfore no extra cost to the employee could be justified. Besides, the new quarters were not so spacious as the former. The Commissioner thereupon fixed Rs. 100 as the value of rent-free quarters for the purpose of income tax. I think in such cases the value of rent free quarters should be fixed at a figure not lower than 10 per cent of the salary of the occupant.

M.C.A.3969/I — 22-10-1943. Papers were called for in connection with the adjustment of a sum of Rs. 156-6-0 being the cost of Municipal articles lost on the salvage work at the collapsed building at Jamshedji Tata Road. They are not still received.

M.C.A.3976/I — 22-10-1943. Notes regarding disposal of some road rollers sold to the Government of India were not found taken in the Plant and Machinery Registers maintained in the Chief Accountant's Office. The Chief Accountant has been requested to account for the omission and to state what steps are being taken to keep a complete record, in his office, of machinery lying with the Departments but not shown in the Plant and Machinery Registers. Reply is awaited.

M.C.A.4071/I — 21-12-1943. On comparison of the statements of plant and machinery in charge of the various Municipal Departments as on 31-3-1942 with the plant and machinery registers in the Chief Accountant's Office it was noticed that—

(1) Remarks of the departments as to the existance or otherwise of the machinery were not taken on the Chief Accountant's registers. This has been done.

(2) Some of the machinery in charge of the City Engineer was stated to be unserviceable. It was therefore suggested that if the machinery was not required to be replaced the advance amount should be adjusted.

(3) Certain machinery in charge of the Hydraulic Engineer was certified to be in existence as on 31-3-1941 as per remarks in the Chief Accountant's books. In the statement for 31-3-1942, however, it was stated that the machinery was scrapped in 1939-40. Some machinery shown in the statement was also not on the Chief Accountant's books. Report of the Department together with the Test Audit Officer's verification remarks thereon are awaited.

(4) Some machinery shown in the statement against the Mechanical Engineer's Department was stated to be not in his charge by the Mechanical Engineer. Reply to the audit reference is awaited.

M.C.A.2989/I — 4-8-1942. Statements showing the plant and machinery with the different Municipal departments with the certificates of their existence and verification as on 31st March 1943 have not been received by Audit upto the end of August 1944 except in the case of the Departments of the Test Audit Officer (Printing) and the Town Duty Officer. It was reported by the Chief Accountant in his memorandum dated 3-7-1944 that the statements for the year 1942-43 from the city Engineer (Drainage), Executive Health Officer, the Head Supervisor and the Officer Commanding Fire Services were received by him and were under verification of the Test Audit Officer. They are, however, not yet received by Audit with the verification certificate of the Test Audit Officer. It is also not known whether the remaining departments have prepared the statements and sent them to the Chief Accountant.

M.C.A.4074/I — 23-12-1943. On comparing the statement of outstanding balances as on 31-3-1943 prepared by the Chief Accountant and returned verified by the City Engineer in respect of improvement of private streets with the individual accounts maintained in the City Engineer's Department it was noticed that in 4 cases the balances shown as outstanding in the City Engineer's registers did no agree with those shown in the Chief Accountant's books. Interest due and outstanding on 31-3-1943 was also not calculated and taken on the registers of the City Engineer's Department. As a result of audit reference the differences in the balances were set right and the Department promised to work out the interest due on 31-3-1944 and to complete the books.

M.C.A.4076/I
27-12-1943.

On an examination of the registers of recoveries on account of the improvement of private streets on behalf of owners of the properties it was observed that in 4 cases recovery was not made since the year 1940-41. The City Engineer explained the delay as under:—

In one case the balance of the claim together with the interest remained unrecovered since 11-10-1939 from which time the property had changed hands twice. The new owner disputed the claim and the correspondence ensued till April 1943. Notices under Section 495 have at last been served on the occupiers of the property. The results are watched. In another case the party has to pay two different claims, and the monthly instalments received from him are being credited to the bigger claim and the smaller claim therefore shows no recovery. In the remaining two cases the parties dispute the payments on the ground that the streets were not private. The City Engineer, however, contemplates taking action under Sections 494 and 498 if possible.

M.C.A.3900/I
20-9-1943.

An excess of Rs. 95-9-0 was found with the paymaster in the Chief Accountant's office in the balance of the Provident Fund claims passed during April and May 1942 and was credited to the deposit account. The reason of the excess not being traced, after the accounts for the year were reconciled, the amount was passed for payment to the paymaster concerned. The Chief Accountant explained that his predecessor had passed the claim on the ground that the paymster had mixed up the balance of provident fund advances and unpaid wages and had suffered a loss of Rs. 500 in payment of salaries on another occasion. It may be observed that it is not correct to pay over such excess found in the balances to the employees concerned unless the reasons are properly traced and they are definitely proved to be their own money.

M.C.A.3273/I
12-12-1942.

A sum of Rs. 99 found in excess with the Paymaster and remitted to Treasury was explained by the Chief Accountant to be probably due to less payments made and received by somebody as reported last year. The amount is still lying in the Deposit Account.

M.C.A.3721/I
28-6-1943.

It was noticed that no rent was being recovered from Dr. R. P. Koppikar, who was appointed as a temporary Dean of the Seth G. S. M. College from 11th April 1943 for the quarters intended for the Dean nor he was exempted from the condition of occupying the quarters. On a reference from audit, sanction of the Standing Committee was obtained (Standing Committee Resolution No. 492, dated the 14th July 1943) to waive the condition for the period he was not in occupation of the quarters from 11th April to 30th June 1943

Assessment Department.

This is the main revenue earning Department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. Though some improvement is noticed in this department in the work of presentation of bills and serving of demand notices since the question of delay in recoveries was taken up by audit in the year 1938-39, yet there appears to be much scope for improvement, specially if the delay in taking subsequent legal action is avoided. In view of the additional staff given to the Legal Assistant's Department for the purpose (*vide* Corporation Resolution No. 1216 dated the 13th March 1944) it is hoped that the delay would be considerably minimised in future.

It is also hoped that the delay occuring in the Assessment Department in obtaining the Standing Committee's sanction for filing suits and forwarding them to the Legal Assistant after the failure of the parties to pay up the bills will also be strictly avoided so as to achieve expeditious working of the whole legal process in both the Departments of the Assessor and Collector and the Legal Assistant.

It may be repeated this year that in the cases of under-valuations of properties noticed by audit, there appears also to be a good scope of improvement in revenue if the valuations of properties in the City are subjected to a regular test check by some suitable responsible Municipal officer, having no connection with the department.

The number of bills left outstanding in respect of property tax and wheel tax as on 31st March 1944 was 21821 aggregating to Rs. 33,20,076-9-9 as against 16074 aggregating to Rs. 30,88,047-2-3 in the previous year. The outstanding of Rs. 33,20,076-9-9 is inclusive of the Urban Immoveable Property Taxes amounting to Rs. 7,71,210-3-6.

Filing of Suits.

M.C.A.1836/IV
1-4-1941
&
26-5-1941.

As stated in my previous audit report the Assessor & Collector was asked to state the number of cases already sanctioned by the Standing Committee for filing suits and the number of cases in which suits were actually filed. From the Assessor & Collector's reply, dated 21-4-1941, it was known that though the Standing Committee's sanction was obtained to file suits in 27 cases for the years prior to 1939-40 and 33 and 55 cases for the years 1939-40 and 1940-41 respectively, only in two cases pertaining to 1939-40, suits were actually filed. The Assessor & Collector was, therefore, requested on 26-5-1941 to state the cause of delay in filing suits. No reply to that has so far been received. However, the Assessor & Collector while offering his remarks on 7-3-1944 on the observations on the subject made in the last year's audit report explained that the delay was due partly to the inadequacy of staff in the Legal Assistant's office and partly to the Law's proverbial delays and that he had till that time forwarded 94 cases for filing suits to the Legal Assistant in respect of the arrears upto 31-3-1941 and a further list of 100 cases in respect of the arrears upto 31-3-1943 was being prepared for being forwarded to the Standing Committee for sanction. The Assessor & Collector has, however, not given any explanation for the delay that was caused in his department before going to the Standing Committee for sanction for filing suits. This matter was mentioned particularly in my previous audit reports as it was noticed that generally the question of obtaining the Standing Committee's sanction for filing suits was not taken up by his department until the arrears had piled up for some years. It was, therefore, suggested by audit that instead of allowing undue long time to run, a time limit should be set up for the usual departmental actions for recovery, after which sanction of the Standing Committee should be obtained for filing suits for all the unpaid and unrecovered bills. It may be noted that during the audit of outstanding bills as on 31st March 1944, about 1,500 bills were found enfaced for part-payment of water or other taxes and some of them were enfaced for part-payments more than once. It seems that these part-payments are being made in order to secure postponement of legal action being taken by the Department. The Department might consider the advisability of taking legal action if the bills are not fully paid within a reasonable time, say, by the time the next half-yearly bills are due for payment.

Reconciliation of Books.

M.C.A.3681/IV
27-5-1943.

As stated in my previous year's report, the Assessor & Collector and the Chief Accountant. were requested to submit a statement of reconciled accounts of revenue as between the books of the two Departments. The matter was also reported to the Standing Committee (*vide* Standing Committee Resolutions Nos. 1428, dated the 2nd Jnanuary, 1942 and 449, dated the 24th June 1942) explaining the ways and means of effecting such reconciliation and pointing out its importance

in vouchsafing the accuracy of the accounts of the Assessment and Collection Department. However, the Commissioner, on the advice of the departments concerned, reported to the Standing Committee that the trouble and the expenses involved in carrying out the annual reconciliation of accounts would not commensurate with the advantage gained.

The Commissioner's report do not show any attempts having been made by the departments to tally the accounts with the present registers by proper adjustment of columns and details before coming forward with the proposals for introduction of extra registers and engagement of extra staff. The Stading Committee has, however, endorsed the views of the Commissioner and recorded the report (*vide* Standing Committee Resolution No. 1521, dated the 27th December 1943 and Corporation Resolution No. 878, dated the 13th January 1944). In the circumstances, the accounts of rates and taxes presented to audit and to the Corporation have remained unbalanced and unreconciled as heretofore and therefore it is not possible for the Municipal Chief Auditor to verify the accuracy of the figures of collections as on the bill books of the Assessment Department and the books of the Accounts Deparment severally and interse. As accuracy of the year's working can only be tested on annual reconciliation of accounts on which also rests the safety of non-interference in future with the accounts, it is again urged that the matter of reconciliation should receive serious consideration by the Commissioner as well as by the Standing Committee and the Corporation.

Outstanding Bills.

Among the bills outstanding on 31st March 1944, 1,517 bills were found partly paid in respect of water tax, etc., as under:—

A. Ward	...	89
B ,,	...	282
C ,,	...	301
D ,,	...	277
E ,,	...	255
F ,,	...	136
G ,,	...	177
Total	...	1,517

The part-payment of bills seems to be a favourite method with certain rate-payers to delay taking action to cut off water supply or to taking legal action provided in the Act for the recovery of taxes. Such postponements of legal action are found to result in piling up of the bills from year to year and when Court action is taken after some years, the matters get further complicated by transfer of properties, mortgages, insolvencies, etc., Assessor & Collector, in his note dated 7-3-1944, offering his remarks on the observations made by audit on the subject, in the last year's report, has explained that "although the Standing Committee's sanction ... ... is taken, the actual course of suit is delayed partly in the Legal Assistant's office and partly in the Court." He has, however, not explained anything about the undue long period which expires (as observed in a number of cases), prior to obtaining the sanctions of the Standing Committee for filing suits.

The postponement of legal steps in the initial stages should, therefore, be strictly avoided.

M.C.A.1206/IV
28-6-1940

A plot of land at Fergusson Road, Worli, Scheme 52, was leased by the City Improvements Trust for a period of 3 years from 8-2-1926 to one Mr. Abdul Karim Jan Mahomed. On expiry of the said lease it was renewed in favour of his heir Bai Mariambai for a further period of 3 years ending 7-2-1932. Thereafter the tenancy was cotinued as a monthly tenancy. In the case of monthly tenancies the Estate Agent's Department has to collect the taxes along with the rent and pay them over to the Assessor & Collector. That department, however, failed to collect the taxes although a good amount of arrears of rent was collected by it before 1938 when the party failed. It also did not give due intimation to the Assessor & Collector that the original lease was converted into a monthly tenancy from 7-2-1932 and hence the bills for taxes were presented to the lessee instead of to the Estate Agent and Land Manager. The Assessor & Collector continued to issue bills for all the years in the name of the monthly tenant and on non-payment thereof went for Court action after 6 years by which time the arrears accumulated to a sum of Rs. 3,237-14-0. However, when the papers were sent to the Municial Solicitors for filing a suit, the Assessor & Collector was made aware by them that the tenancy was a monthly one and hence the Estate Agent's Department was responsible for payment of taxes. The filing of suit was therefore held over.

If due action was taken for the recovery of taxes prior to 1938, they could perhaps have been recovered along with the recovery of arrears of rent which was made by the Estate Agent and Land Manager during that period.

Thus, due to the failure of the two departments to take steps for the collection for a long period of about 6 years, the amount of the outstanding taxes, *viz.*, Rs. 3,562-12-0 has been lost to the Municipality and is met out of the expenditure grant under Budget B.

The following defects in respect of outstanding bills were noticed:—

M.C.A.3639/IV
7-5-1943
M.C.A.3630/IV
6-5-1943
M.C.A.3638/IV
7-5-1943
M.C.A.3629/IV
6-5-1943
M.C.A.3640/IV
7-5-1943
M.C.A.3641/IV
7-5-1943
M.C.A.3637/IV
7-5-1943
M.C.A.1962/IV
29-4-1941
M.C.A.3677/IV
25-5-1943

(1) Receipting of bills inadvertently by the ward inspectors concerned.

(2) The date of presentation in a bill shown as the date of payment.

(3) Duplicate bills produced for audit.

(4) Facsimile stamp not affixed on some bills.

(5) Incorrect bill numbers shown in the remittance reports.

(6) Quoting wrong date of payment of bill on the list of outstanding bills, etc.

(7) Bills not produced for audit.

(8) Bills produced for audit though they were shown as paid in the lists of outstanding bills.

The needful was got done.

In several cases, differences in the figures of outstanding bills as shown in the Ward Office Abstracts and Head Office Ledgers were inquired into and got reconciled.

M.C.A.3671/IV
22-5-1943
M.C.A.3690/IV
4-6-1943
M.C.A.3676/IV
25-5-1943

The balances of bills outstanding as on 1-4-1943 brought over on the ledgers for 1943-44 were found unattested. Needful was got done.

M.C.A.3703/IV
19-6-1943

Drawbacks.

As stated in the audit report for the year 1940-41, audit had suggested the desirability of incorporating a clause in the Drawback Rules to make it obligatory on the part of the owners to prove their drawback claims by production of regular books of accounts, as the production of bill books, even by the owners of large properties without the relative account books, in support of their drawback claims and their acceptance by the Municipality as sufficient proof of vacancies against the findings of the Departmental Officers, had become almost a routine. The suggestion was accepted and the drawback rules were accordingly modified (*vide* Standing Committee Resolution No. 141 of 5-5-1943).

M.C.A.1775/IV
18-3-1941

The claims for drawbacks for 2nd half of 1942-43 and 1st half of 1943-44 in respect of property bearing D Ward No. 3500(3) were allowed to Mr. S. H. A. Ommer although the property was not transferred to his name in the Assessment Book. On calling for explanation by Audit, necessary correction regarding the name of the assessee was made in the Assessment Book with the Commissioner's sanction and it was explained that the drawbacks were so far allowed to Mr. Ommar as he had erected the building in question on the plot of land taken on lease by him but, due to the mistake of the Ward Staff, his name had remained to be inserted in the original proposal of assessment.

M.C.A.3814/IV
4-8-1943

The declaration forms in some of the drawback cases were found to have been signed by persons who were shown as minors in the Assessment Books. On the audit query, the Assessor and Collector stated that unless the minor on their attaining majority applied for corrections submitting relevant documents, no changes were made in the assessment books. It may be observed that, in order to keep the Assessment Books up-to-date, the Department should take particular care not to admit cases for drawbacks signed by persons who appear as minors on the books unless and until the necessary corrections are carried out on production of the relevant documents.

M.C.A.3844/IV
21-8-1943
M.C.A.3870/IV
6-9-1943
&
M.C.A.3813/IV
4-8-1943

Refunds.

Refund was found to have been inadvertently allowed on the basis of the monthyly rent of Rs. 75 2/12 for the 2nd half of 1939-40 in respect of the vacancy of block No. 29 on the fifth floor of the property bearing D Ward No. 2408-2409 (1-2) whereas during the 1st half it was allowed on the monthly rent of Rs. 70 5/12.

M.C.A.1808/IV
20-3-1941

A reference being made to the Assessor & Collector the excess paid to the party was recovered.

Refund was granted for the 2nd half of 1941-42, in respect of the property bearing B Ward No. 3229 upto 25-11-1941 whereas the Hydraulic Engineer in his note of 24-11-1941 stated that the property was partly occupied. On a reference to the Assessor & Collector it was explained that the Ward Inspector, at the time of inspection of the property on 29-11-1941, questioned the tenant as to the date from which he came to occupy the property. As the tenant informed him that he occupied the property from 26-11-1941 and as he had no reason to disbelieve the tenant, he accepted the date and certified the vacancy. The Assessor & Collector further stated that, on receipt of audit reference, the accounts of the owners were inspected and it was found that the rent was recovered by the owners from the incoming tenant for the full month of November 1941. Consequently the excess refund allowed for 25 days of November, *viz.*, Rs. 1-10-0 was recovered from the owners.

M.C.A.3660/IV
15-5-1943

The Deputy Municipal Commissioner thereupon advised the Assessor & Collector to instruct the Ward Staff to be more precise in their scrutiny of declared vacancies for purposes of refund or drawback.

Refund was allowed for the 1st half of 1942-43 in respect of the vacancy of the property bearing C Ward No. 2093(2). The Superintendent, in his report of 10-6-1942, stated that the property was wholly vacant whereas the report of the Hydraulic Engineer's Department of 16-7-1942 showed that the property was partly occupied. The Assessor & Collector has been requested to reconcile this. Reply is awaited.

M.C.A.3750/IV
7-7-1943

A refund was passed in respect of the vacant land bearing C Ward Nos. 2588-2589.

M.C.A.3788/IV
23-7-1943

In this connection it was observed that in certain cases of vacant lands the Department used to allow refunds on the basis of the capitalised value of the property and the half-yearly tax while, in some other cases, the calculations of refund were made on the basis of the monthly rent.

As this practice lacks uniformity in procedure, the question was referred to the Assessor & Collector who has issued instructions to the staff that henceforward the refunds on vacant lands should be allowed on the basis of the capitalised value and the half-yearly tax therefor.

The futility of verification certificates given in some cases by the Ward Superintendents and Assistant Assessors after the expiry of the half-years to which the claims for refunds related, and in some cases, a year after the occurrance of vacancies, was pointed out to the Department. Due instructions were issued by the Deputy Municipal Commissioner to the staff of the Assessment & Collection Department to dispose of such papers immediately so that the work of verification of vacancies, etc., may not be delayed in future.

M.C.A.3805/IV
30-7-1943
&
M.C.A.3833/IV
16-8-1943

M.C.A.3809/IV
31-7-1943
&
M.C.A.4233/IV
31-3-1944

A number of refund cases was noticed to have been passed for the subsequent half-year before disposing of the cases for the previous half-years. Reference being made to the Assessor & Collector, needful was got done.

M.C.A.3823/IV
3-8-1943

Refund was found to have been allowed in respect of a vacancy on the 1st floor of property bearing C Ward No. 336-337 though no notice for the continued vacancy of the floor was received from the party.

The excesss amount of refund paid to the party was got recovered.

M.C.A.3834/IV
16-8-1943

Refund was allowed for two shops on the property bearing C Ward No. 5177, the rents of which were Rs. 190 and Rs. 125. Each shop had a stall for which the rent at a daily rate of Re. 1 was recovered by the respective tenants of the shops. Refund in the first case was allowed after deducting the rent of the stall, (Rs. 190—Rs. 50) but no such deduction was allowed on account of the stall in respect of the other shop.

The Assessor & Collector's reply to audit query is awaited.

M.C.A.3835/IV
25-8-1943

When a vacancy continues from one half-year to another half-year, refund for property taxes is claimable only if a notice of vacancy has been given by the owner of the property within 30 days from the commencement of the next half-year. In this connection the Assessor & Collector has also issued instructions under his order No. 7 of 18-11-1941 at the instance of the Chief Accountant that the letters of vacancies received from the parties prior to the date of commencement of the next half-year should not be treated as notices of vacancies and no refunds should be allowed unless fresh notices are given within the period specified under Section 176(3) of the Act. In disregard of this provision and the orders, the Department was found passing claims for refunds on the strength of the notices received on dates prior to the commencement of the next half-year. The Chief Accountant and the Assessor & Collector have therefore been requested to see that the orders are strictly and consistently observed in allowing refunds.

M.C.A.3844/IV
14-9-1943

Refund was granted for the 2nd half of 1940-41 in respect of the property bearing F Ward No. 639(4A). The Superintendent reported that the property was vacant upto 21-12-1940, whereas the Inspector of the Hydraulic Engineer's Department reported that the property was occupied on 20-11-1940. The Assessor & Collector has been requested to reconcile this. Reply is awaited.

M.C.A.3950/IV
9-10-1943

The vacancy of the 4th floor of the property bearing C Ward No. 5751 terminated on Magasar 30, *i.e.*, 6-1-1943 but the refund of Rs. 26/11 was allowed upto 22-1-1943. As a result of the audit reference, a fresh refund certificate for Rs. 23-5 was issued in place of the one for Rs. 26/11.

M.C.A.4138/IV
24-1-1944

Refund on account of the vacancy of the ground floor of the property bearing D Ward No. 1179 was found to have been allowed though a room therein was occupied by the caretaker of the building. On enquiry it was explained by the Assessor & Collector that it was a longstanding practice to allow refund when a whole property was vacant except for the room occupied by the caretaker, after deducting the rent of the room in occupation of the caretaker and the same porocedure was adopted in this case.

M.C.A.4202/IV
25-2-1944
&
18-5-1944

In a refund case the party had by his letter dated 13-5-1942 notified the vacancy in respect of 'Block Nos. 1, 5, Mazzenine, 10, 11, 12 and No. 9 of property bearing D Ward No. 2445(4A) from 1st June 1942.' The refunds in respect of these blocks were allowed by the Assessor & Collector as detailed below:—

Block No. 1	Refund allowed from 1-6-1942.
,, 5	Do. 13-5-1942.
Mazzenine (Intermediate floor) ...	Do. 1-6-1942.
Block No. 10	Do. 13-5-1942.
,, 11	Refund not allowed as the vacancy lasted for less than 30 days.
,, 12	Refund not allowed as it was found occupied and was never vacant.
,, 9	Do. do. do. do.

Audit enquired as to how refunds could be allowed in respect of block Nos. 5 and 10 with effect from 13-5-1942 when the party had notified the vacancies from 1-6-1942. The Assessor & Collector replied that the party had mixed up the vacancies of the blocks which had occurred at the time when the letter was written with the vacancies of the blocks that would be occuring on 1-6-1942 and that it was difficult to expect the rate-payers to be so precise in the use of the language and the Department had to construe the letter in broad terms and interpret it in the light of actual facts. It may be remarked that, out of the blocks notified by the party, two were reported by the staff as occupied and not vacant. Moreover, it may be observed that it is not the function of the Municipality to make amends by infering the intentions of the parties in notifying the vacancies and allow refunds from the dates prior to the dates of vacancies notified by them.

M.C.A.4232/IV
31-3-1944.

Refund for the vacancy of block No. 16 on the 1st floor of property bearing D Ward No. 2705(2) was allowed on the basis of the monthly rent of Rs. 45 5/12 for the 2nd half of 1941-42 and the 1st half of 1942-43 whereas the rent for the same was shown in the Inspection Book at Rs. 45 gross which came to Rs. 42 5/12 net. The Assessor & Collector was, therefore, asked to do the needful. Reply is awaited.

Valuations.

M.C.A.3412/IV
10-2-1943.

The property bearing E Ward No. 4105(2) stood assessed at Rs. 3,145 during 1940-41. The property was under repairs and the value was reduced to Rs. 2,545 on 12-5-1941. When it was actually let after the repairs, the ratable value worked out to Rs. 3,615 p.a. (*vide* Tabulated Ward Report No. 282 of 15-11-1941). This increase in valuation was brought on books with effect from the next year, *i.e.*, from 1-4-1942. Audit therefore objected to this and inquired as to why it was not modified during the year 1941-42, under Section 167 of the Municipal Act, as it was a case of hard fact of increase in rent by 42 per cent. The Deputy Municipal Commissioner has accordingly issued instructions that the proper procedure to be followed in such cases should be laid down and if circumstances, in any case, required advantages and disadvantages to be weighed before bringing such properties on rise during the currency of the year they should be duly reported upon by the staff.

The rateable value of the property bearing B Ward No. 1336 was reduced from Rs. 8,510 to Rs. 1,650 as 2 3 rd portion of it was demolished for repairs. Out of the 1,3rd portion that remained, a godown and a pedhi were let out on a monthly rent of Rs. 85. The valuation of Rs. 1,650 fixed for the period of repairs was, however, based on the value of the land without taking into consideration further value of the portion of the structure which remained undemolished and which fetched a monthly rent of Rs. 85. It may be remarked that in such cases of partial demolitions it would not be correct to ignore the rents realised by the owner and to fix the valuations merely on the value of the land.

M.C.A.3568/IV
12-4-1943

'The rateable value of the property bearing B Ward No. 4129(2-3) was fixed, taking the area as 416 sq. yds. whereas the exact area was 435.79 sq. yds.. On a reference to the Assessor & Collector, it was explained that as per the Estate Agent's intimation dated 21-7-1942 the area of the aforesaid plot was taken at about 416 sq. yds.. On 5-12-1942, however, another memo giving the correct area was received from the Estate Agent but as the plot was already assessed and the value proposed had become final, the assessment was not disturbed.

M.C.A.3573/IV
13-4-1943
&
M.C.A.3575/IV
13-4-1943

Similar instance of undervaluation was found in the case of property bearing B Ward No. 4130 (1-2) where the area of land intimated by the Estate Agent in the first instance was 607 sq yds as against the correct area of 623 sq. yds.. As the Municipality suffers a monetary loss in such cases, the Deputy Municipal Commissioner has ultimately requested the Estate Agent and Land Manager to give complete details of all the leases to the Assessor and Collector by the end of January at the latest as the last date on which proposals for amendment under Section 167 of the Municipal Act could be reported on the Tabulated Ward Report was the 15th of February each year.

As no separate entry appeared in the Assessment Books for 1942-43 and 1943-44 for the two C. I. Sheet temporary sheds in the compound of the Sir Harkinsondas Narotamdas Hospital, the Assessor & Collector was asked to state whether the same were assessed and if so, to put up the tabulated ward reports for the same Reply is awaited.

M.C.A.3702/IV
19-6-1943

In fixing the valuation of the property bearing D Ward No. 2361-62, the monthly rent of the second floor was adopted at Rs. 304 per month. While certifying the vacancies for the drawback the Superintendent reported 19 rooms at Rs. 10 each and 26 rooms at Rs. 8 each as vacant. This meant that there were 45 rooms rented at Rs. 398 per month. The Assessor & Collector was asked to inquire, who stated that the rooms were inadvertently certified as fetching a uniform rent, instead of some at Rs. 10 each and some at Rs. 8 each.

M.C.A.3822/IV
7-8-1943

The property bearing B Ward No. 3019 was treated as vacant from 1-6-1943 as per party's letter whereas it appeared from the Hydraulic Engineer's report that it was occupied upto the middle of August 1943. The Assessor & Collector has been requested to reconcile this. Reply is awaited.

M.C.A.4103/IV
10-1-1944

In case of the property bearing C Ward No. 5108 to 10, the rental value of the 1st floor was stated to be Rs. 214-3-0 per month whereas the value of the ground floor of equal area was estimated at Rs. 100 per month only. The disparity was explained by the Department to be due to the ground floor being used as a caste-dining place as against the 1st floor which was let out to several tenants for residential purposes.

M.C.A.4117/IV
17-1-1944

The following instructions appeared to have been issued by the Assessor and Collector to the staff on 22-5-1943:—

M.C.A.4143/IV
27-1-1944

"(1) The question of taking cognisance of rise in rents in specific cases brought to the notice of the Municipal authorities by tenants or others in ordinary complaints was considered and if was decided that the Standing Order No. 1 of 22-4-1943 issued in this behalf should stand; but that, in specific cases complained about, properties having rateable values upto Rs. 2,000 should be brought on T.W.R. if the majority of the rents are stated rents and there is an increase of 5 per cent. in rents, and those having rateable values above Rs. 2,000 per annum if the increase in rents is above 3 per cent. This decision should be effective only for the duration of war as on account of heavy pressure on housing, there is a sustained increase in rents."

An inspection of registers of F Ward for the year 1943-44 was made by audit to see whether the increases in valuations mentioned in the instructions were brought on books. It was then noticed that the properties of the rateable value upto Rs. 2,000 per annum with the minimum increase of 5 per cent. in rents and those of the rateable value of above Rs. 2,000 per annum with an increase of rent above 3 per cent. were neither tested by the Ward Superintendents nor brought on the Tabulated Ward Reports. A list of such cases was drawn out and forwarded to the Assessor and Collector who explained that the increases shown in the list were not covereed by the instructions. A further reference has, however, been made to the Assessor ad Collector to forward list of increases brought on books, if any, under these instructions in the different wards of his Department. Reply is awaited.

Inquiries were made as to why the revisions in valuations were not effected during the currency of the year 1943-44 in the cases of properties bearing C Ward Nos. 6462 and 2688-89 as they appeared to be due to change of users. It was explained that as the increases in rents were very small and the change of users were not substantial ones, the cases were brought on Tabulated Ward Reports as cases of rise in rents only with effect from the next year.

M.C.A. 4148/IV
31-1-1944

Additions to the property bearing C Ward No. 1587-88 were made from 31-8-1943 but the revised valuation was given effect from 6-10-1943. The Assessor and Collector explained that the discrepancy did not come to the notice through inadvertence and issued supplementary bills for the period from 31-8-1943 to 5-10-1943.

M.C.A.4226/IV
16-3-1944

Water by Meter Measurement.

The consumption of water in respect of the property bearing B Ward No. 4459 and 5149 for the period from October 1942 to March 1943 was charged at the rate of As. 14 per 1,000 gallons whereas it was charged at As. 12 only for the previous period. The Hydraulic Engineer was referred to in the matter who explained that the property under reference was occupied as a laundry and a soda factory which were being supplied water through two separate connections and as these connections were found inter-connected within the premises, the rate of As. 14 was made applicable under Rule I(c) of the Water Charges Rules with effect from 1-10-1942. Again it was noticed that consumption from April 1943 to September 1943 was charged at the rate of As. 12 per 1,000 gallons instead of As. 14 charged in the previous period. The Hydraulic Engineer was requested to explain why the supplementary bill for the difference of Rs. 119-2-0 should not be issued under the above circumstances. Reply is awaited.

M.C.A.3894/IV
17-9-1943
&
18-12-1943

M.C.A.4242 IV
- -3-194

From the Meter Reading Register of G Ward relating to the half-year ending 30-9-1943 the Hydraulic Engineer was requested to explain in 4 cases in which figures of consumption of water were not furnished and in 3 cases where remarks regarding the recovery of meter hire for the broken periods were not made. Reply is awaited.

M.C.A.424 IV
29-3-1944

The figures of consumption of water were not furnished in two cases and the bill for the consumption of water was not issued in one case in the meter reading register of F Ward for the half year ending 30-9-1943. The Hydraulic Engineer and the Assessor and Collector were, therefore, asked to explain. Reply is awaited.

M.C.A.3751 IV
7-7-1944
M.C.A.203 IV
4-6-1941
M.C.A.3849/IV
8-8-1943
M.C.A.3845 IV
21-8-1943
M.C.A.1205 IV
13-7-1940
M.C.A.3901 IV
19-10-1943
M.C.A.4081/IV
23-10-1943
M.C.A.4184/IV
21-2-1944
M.C.A.1587/IV
21-12-1940
M.C.A.1623/IV
21-1-1941
M.C.A.4159/IV
10-2-1944
M.C.A.3628/IV
6-5-1943
M.C.A.3760/IV
10-7-1943
M.C.A.1614/IV
15-1-1941
M.C.A.3124/IV
29-9-1942
M.C.A.4241/IV
29-3-1944
M.C.A.4201/IV
25-2-1944
&
M.C.A.3968/IV
21-10-1943

On being inquired into by Audit, notes of the recoveries of meter hire were taken in 101 cases in the Meter Reading Registers for 1942-43. Similarly 80 cases were inquired into in which notes of the figures of water consumption were either not taken, or were incorrectly taken, or were subsequently corrected without authentications, etc.. Also in two cases, bills were found not to have been issued at all though figures of water consumption were filled in, whereas in one case the bill was issued for Rs. 66-4-0 instead of for Rs. 80-2-0. In addition there were omissions of recoveries in several cases. All these defects were inquired into and subsequently needful was got done. It is essential that the department should avoid these sorts of irregularities in maintaining the registers, the main purpose of which is to record promptly all dues to enable their recoveries in due time.

M.C.A.4171/IV
16-2-1944

The property bearing A Ward No. 1005(1) was found charged for water by meter measurement instead of on value. Report of the Assessor and Collector on the reference made to him is awaited.

Compounded Water Tax.

M.C.A.1764 IV
12-3-1941

Audit objected against the levy of compounded watertax for a sanatorium where fees were being charged to its occupants. The Deputy Municipal Commissioner thereupon passed orders to discontinue the compounded water tax and to charge water tax on value with effect from 1-4-1941. The amount of water tax on value leviable worked out to Rs. 72-6-0 per annum as against the compounded sum of Rs. 15 per annum charged. From the above audit objection, however, a further query was raised by the Deputy Municipal Commissioner as to eligibility of exemption from the general tax on such sanatorium where fees or rents were charged. As a result of this query, the concession of exemption from general tax, that was being allowed, was withdrawn with effect from 1-4-1943, in respect of all sanatoriums where fees or rents charged were equal to market rent.

M.C.A.3033 IV
21-8-1942

A compounded sum of Rs. 40 per month was being charged to the B. E. S. & T. Co., Ltd., for watering tram-tracks and rail-cleaning purposes. The Assessor & Collector was asked to quote the Standing Committee's Resolution sanctioning the above rate. Necessary enquiries were thereupon made by the Assessor & Collector from the Company as regards the consumption of water and as a result it was finally decided to charge the Company, compounded water tax at Rs. 52 per month instead at Rs. 40 per month from 1-4-1943 under Standing Committee Resolution No. 719, dated the 25th August 1943.

M.C.A.3656/IV
15-5-1943

On enquiry as to why the three properties *viz.*, (1) Priest's quarters, (2) shed and (3) residence attached to the properties assessed under B. Ward Nos. 732(1), 3211 (2-3), and 3303 respectively, (shown in the lists of compounded water tax for the years 1941-42 and 1942-43) were not charged water tax on value it was explained that neither the quarters in the first case, nor the residence in the third case were used for residential purposes. The former were used for keeping dieties, storing up of materials of the temple and for caste dining, whereas the latter represented a darga only. In the circumstances, the descriptions of these porperties which were incorrect, were corrected in the list for 1943-44.

The second property, *viz.*, the "shed" was being used formerly for storing up materials required for darga but from about February 1943, the Muzawar had come to reside there. It was, therefore, stated by the Assessor & Collector that the compounded water tax in this case was also correctly levied for the previous years but sanction was obtained in July 1943 to charge for the year 1943-44 an additional amount of Rs. 1-14-0 being water tax on value for the portion of the shed occupied by the Muzawar.

Compounded water tax is being recovered in respect of the following properties :—

M.C.A.3657/IV
15-5-1943

(1) Temple under A Ward No. 4 (1A).

(2) Prince of Wales Museum under A Ward No. 1176 (1, 3A, 3C and 4).

It appears that in the former case there are quarters attached to the temple which are used for the priest's residence and in the latter case the quarters attached to the Museum are used as residence of the Secretary and his servants. No water tax on value is, however, recovered in respect of these quarters, although in the first case, the Standing Committee has passed orders as far back as 1935-36 that water-tax should be recovered on value for the quarters. Explanation of the department was called for in May 1943, but the water tax chargeable on the quarters in addition to the compounded tax was not found levied upto 31-3-1944.

Miscellaneous.

M.C.A.2503/IV
18-12-1941 & 25-2-1944

No record was being maintained in the Head Office or in the Ward Offices of the Assessor & Collector's Department of the numbers and the amounts of the bills lodged in Court as exhibits for inspection at any time. On suggestion from audit to maintain such a record, it was agreed by the Assessor & Collector to maintain registers of such bills at the Ward Offices as well as the Head Office in future.

M.C.A.3929/IV
28-9-1943

While verifying the statement of irrecoverable bills sanctioned to be written off under Standing Committee Resolution No. 763 dated the 1st September 1943, it was noticed that some of the bills written off were in the name of persons who were either in war service or whose assets were in charge of the Custodian for Enemy Property. Audit, therefore, enquired of the Assessor & Collector whether the bills could not be kept pending till the cessation of the war and whether the Custodian for Enemy Property was not liable for the payment of debts or charges on behalf of the persons whose property he managed and if so, whether demands were presented to him. Reply is awaited.

Wheel Tax.

During the year, nearly 1,285 cases were noticed and reported by audit in the course of test-checking 25 per cent. of the entries in the wheel tax registers, for which no bills were issued by the Department for tax on vehicles, animals, etc.. Out of these, replies for 767 cases have since been received from the Assessor to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City or their being under repairs, etc.. 518 cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

It was observed during audit that the Assessment Department did not take proper notes in the registers whenever the vehicles were transferred from one place to another and as a result no certainty was felt whether a particular vehicle (against which no remark of bill appeared) was taxed or not. The Department was written to several times to avoid these omossions in the registers and the Assessor & Collector had instructed the staff but such omissions were still continued to be noticed during the year under report.

M.C.A.3395/IV
4-2-1943 & 8-12-1943

Motor Lorry No. BMT 2412 was found taxed at Rs. 35 for the quarter ending 30-6-1942 whereas it was taxed during the previous quarters at Rs. 30 only. On enquiry from audit as to the difference in charge, it was explained by the Assessor & Collector that according to the weight of the car, it was correctly chargeable at Rs. 35 per quarter. The mistake in weight was detected in February 1942 and the tax at Rs. 35 per quarter was recovered from the assessees for the period from 1-10-1940 to 31-3-1943. The assessees, however, disputed payment of the tax for the period from 1-4-1940 to 30-9-1940 on the ground that the truck was under repairs during that period and the papers on the subject were submitted to the Commissioner separately. Audit, therefore, called for those papers from the Assessor & Collector on 8-12-1943 which are not yet received.

M.C.A.4003/IV
11-11-1943 & 5-6-1944

An amount of Rs. 20 due from one Miss Mohini Ramchandra pertaining to G Ward Wheel Tax bill No. 606/16793 for cars Nos. W/224 and N/6887 for the quarter ending 30-9-1938 was written off under Standing Committee Resolution No. 1760 of 10-2-1943 on the ground that she had left Bombay and her address was not known. However, from the Telephone Directory, it was noticed by Audit that one Miss Mohini had a telephone connection in the same ward and the Assessor & Collector was accordingly asked to make enquiries in the matter. The Assessor & Collector replied on 25-5-1944 that enquiries were made and the party staying at the address mentioned in the Telephone Directory was Miss Mohini Rose who denied the cars in question having ever been hired by her. She, however, furnished adddress of Miss Mohini Ramchandra, but she was not found there The Assessor & Collector has again been requested to state whether enquiries were made for the party with the person who had acknowledged the office letter, dated 21-2-1944, addressed to Miss Mohini Ramchandra. Reply is awaited.

M.C.A.4056/IV
13-12-1943

An amount of Rs. 60 in respect of wheel tax due from one Miss Izubeda Gulam Rasul was sanctioned to be written off under Standing Committee Resolution No. 1002 of 22-10-1943. The facts of the case are as follows :—

The Motor Car No. N/2342 was registered in the name of the party in the Police Commissioner's Office on 2-5-1938 and stood registered there upto 12-2-1940. The car was taxed only for the quarters ending 30-6-1939 and 30-9-1939. The bills therefor were issued on 24-10-1939 and 20-10-1939 respectively and were presented to the party on 16-12-1939 and the notice of demand was served as late as on 8-7-1941 by registered post after the car was removed to Calcutta on 12-2-1940. It will be seen that no bills were issued in respect of the car for the periods 2-5-1938 to 31-3-1939 and from 1-10-1939 to 12-2-1940 and no notice of demand was served for the bills issued for the intermediate period till after the car was removed from the City.

While verifying the statement of irrecoverable wheel tax bills written off under the Standing Committee Resolution No. 1002 of 22-10-1943, it was noticed that :— M.C.A.4073 IV

23 12 1943

(1) Four bills amounting to Rs. 90, outstanding against Mr. W. R. Rumbold who was Assistant Custodian of Enemy Property upto 1-3-1942, were written off on the ground that the party had joined the war services. Out of these, two bills relating to the period from 1-10-1941 to 31-12-1941 were issued on 20-1-1942 and presented on 11-3-1942. The demand for the previous period, *viz.*, 6-6-1941 to 30-9-1941 and for the quarter ending 30-6-1942 were made subsequently while no demand was made for the quarter ending 31-3-1942.

(2) Two bills amounting to Rs. 45 in respect of the period from 1-10-1940 to 31-12-1940 and 1-1-1941 to 31-3-1941 respectively due from Mr. F. E. Banberry who was employed as a cartoonist in the Times of India upto February 1942 had to be written off on the grounds similar to those stated in (1) above.

(3) An amount of Rs. 30, due from one Mr. A. B. Cooper, who was working as General Manager of the British Institute of Engineering Technology was also written off on the similar grounds.

Several other bills due from parties who were on war services were also written-off. Audit, therefore pointed out that the losses in most of these cases were more or less due to the delayed presentation of the demand and enquired whether it was not desirable to keep the claims pending and if possible to trace out the parties through appropriate Government Department for effecting the recoveries.

The reply is awaited.

In the following cases recoveries were got effected for omissions, under-charge or excess refunds :—

Serial No.	Ward	Case number and date.	Particulars.	Amount recovered. Rs.	a.	p.
1	E	M.C.A. 3843/IV of 26-11-1943	... Meter hire not recovered for the period from 1-4-1942 to 31-3-1943 in respect of item No. 101 on page 8 of E Ward Meter Reading Register for 1941-42.	18	0	0
2	A	M.C.A. 1587/IV of 21-12-1940	... Under-charge under entry No. 390 at page 13 of the Meter Reading Register for the year 1939-40.	0	6	0
3	A (G. P. R.)	M.C.A. 1623/IV of 21-1-1941	... Bill for water charge for the period from 1-10-1939 to 20-2-1940 not issued in respect of entry No. 27 on page 10 of A (G.P.R.) Meter Reading Register.	141	2	0
4	C	M.C.A. 4226/IV of 16-3-1944	... Under-charge in respect of property taxes for the property bearing C Ward No. 1587-88.	26	13	0
5	A (G. P. R.)	M.C.A. 4159/IV of 10-2-1944	... Bill for consumption of water by meter for six months ending 31-3-1943 wrongly issued for Rs. 66-4-0 instead of Rs. 80-2-0.	13	14	0
6	C	M.C.A. 3950/IV of 9-10-1943	... Excess refund in respect of the property bearing C Ward No. 5751.	3	6	0
7	C	M.C.A. 3823/IV of 7-8-1943	... Excess refund in respect of the property bearing C Ward No. 336-37.	1	8	0
8	B	M.C.A. 3656/IV of 15-5-1943	... Watertaxon value not recovered for the year 1943-44 in respect of the shed attached to the Darga bearing B Ward No. 3211 (2-3). (Recurring annual recovery.)	1	14	0
9	B	M.C.A. 3660/IV of 15-5-1943	... Excess refund in respect of the property bearing B Ward No. 3229.	1	10	0
10	G	M.C.A. 3271/IV of 12-12-1942	... Under-charge in respect of motor lorry No. BMT 4375 under Schedule No. 21 of 1941-42 and 18 of 1942-43.	40	0	0
11	G	M.C.A. 3760/IV of 10-7-1943	... Supplementary bill not issued for the excess consumption of water recorded for the half-year ending 30-9-1942 in respect of entry No. 270 on page 18 of the Meter Reading Register of G Ward.	51	0	0
12	D	M.C.A. 1808/IV of 20-3-1941	... Excess refund in respect of property bearing D Ward No. 2408 2409 (1-2).	2	11	0
13	D	M.C.A. 4098/IV of 10-1-1944	... Under-charge in respect of vehicle No. BMT 5950 under Schedule No. D 3135.	5	0	0
14	G	M.C.A. 1764/IV of 12-3-1941	... Sanatorium bearing No. 5244(2) of G Ward charged for water at compounded rate instead of on value. (Recurring annual recovery).	57	6	0
15	A	M.C.A. 3033/IV of 21-8-1942	... Under-charge for water consumed by the B. E. S. T. & Co., Ltd., for watering tram tracks etc.. (Recurring six-monthly recovery.)	72	0	0

The following cases of omissions, under-charge or excess refunds were noticed and reported for which no replies have so far been received :—

Serial No.	Year in which original reference was made.	Ward.	Case number and date.	Particulars.	Amount.		
1	1939-40	B	M.C.A. 818 of 22-12-1942	... Under-charge in respect of motor lorry No. Y 4995 under Schedule No. 78.	10	0	0
2	1940-41	B	M.C.A. 1320 IV of 7-12-1942				
3	1942-43	G	M.C.A. 3396 IV of 8-12-1943	... Under-charge in respect of motor lorry BMT 2412 under Schedule No. 531.	10	0	0
4	1942-43	F	M.C.A. 3434 IV of 16-2-1943	... Under-charge in respect of concern No. BMX 3305	15	0	0
5	1940-41	B	M.C.A. 978 IV of 5-4-1940	... Under-charge in respect of car No. T. 5296 under Schedule No. 2094.	10	0	0
6	1940-41	B	M.C.A. 1656 IV of 8-4-1942	... Under-charge in respect of concern No. 605 under Schedule No. 412.	5	0	0
7	1941-42	E	M.C.A. 2155 IV of 15-9-1941	... Water tax in respect of property bearing Ward No. 6480 not charged from 13-5-1941 to 30-9-1941.	18	5	0
8	1943-44	B	M.C.A. 3894 IV of 18-12-1943	... Under-charge of water tax by meter measurement in respect of property bearing Ward No. 4459-5149.	119	2	0
9	1943-44	D	M.C.A. 4098/IV of 10-1-1944	... Under-charge in respect of concern No. BMT 5950 for the quarter ending 30-6-1943.	5	0	0

Miscellaneous Departments.

The following departments are in charge of the collection of miscellaneous Revenue:—

(1) Municipal Commissioner's Office, (2) Town Duty Refund and Election Office, (3) Central Stores, (4) Legal Assistant's Office, (5) Municipal Secretary's Office, (6) Hydraulic Engineer's Department (7) Victoria and Albert Museum, (8) Public Health Department including Analyst's Office, (9) Health Department A and B Wards Office, (10) Health Department C and D Wards Office, (11) Health Department E Ward Office, (12) Health Department F and G Wards Office, (13) Malaria Department, (14) Arthur Road and Maratha Hospitals, (15) Office of the Superintendent of Vaccination, (16) K. E. M. Hospital and G. S. M. College, (17) Conservancy Department, (18) City Engineer's Central, Building and Architectural Branches, (19) City Engineer's Works and Maintenance Branches, (20) Mechanical Engineer's Department, (21) Drainage Department, (22) Fire Brigade Office, (23) Licence including Shops and Establishment Department, (24) Gardens Department and (25) Market and Slaughter Houses.

Revenue Returns.

Under Standing Committee Resolution No. 1534, dated the 10th February 1939, the forms of the Revenue Registers of the above Departments were revised as from 1st April 1939 for maintaining accounts on the basis of demand, collections and arrears for each source of income and for tallying of these accounts with those maintained in the Chief Accountant's Office.

Though the revised forms were introduced with effect from 1st April 1939 the work of completion of quarterly accounts and submission of revenue returns duly reconciled with the figures on the Chief Accountant's books was slack during the past years and the Commissioner had to waive submission of the quarterly returns of some of the departments for 1940-41 and in the case of Legal Assistant's Department for 1941-42 and 1942-43 (*vide* Commissioner's report, dated the 31st March 1944 underlying Standing Committee Resolution No. 80 dated the 19th April 1944.)

The position of the returns received for audit for the year 1943-44 till the time of writing this report is shown hereunder:—

Serial No.	Name of the Department.	Period upto which the quarterly revenue returns received.	Period upto which the quarterly deposit returns received.	Remarks.
1	Municipal Commissioner's Office	31-12-1943	31-12-1943	
2	Town Duty and Election Office	31-12-1943	31-12-1943	
3	Central Stores	31-12-1943	31-12-1943	
4	Municipal Secretary's Office	31-12-1943	...	
5	Hydraulic Engineer's Department	31-12-1943	31-3-1944	
6	Victoria and Albert Museum	31-12-1943	31-12-1943	
7	Public Health Department including Analyst's Office	30-6-1943	31-12-1943	
8	Assistant Health Officer, A and B Ward Office	30-9-1943	30-9-1943	
9	Assistant Health Officer, C and D Wards Office	31-12-1943	31-12-1943	
10	Assistant Health Officer, E Ward Office	30-9-1943	30-9-1943	
11	Assistant Health Officer, F and G Wards Office	31-12-1943	31-3-1944	
12	Assistant Health Officer, Malaria Office	31-12-1943	31-12-1943	
13	Superintendent of Vaccination's Office	31-12-1943	31-3-1944	
14	Arthur Road Hospital	31-12-1943	30-9-1943	
15	Maratha Hospital	31-12-1943	31-3-1944	
16	K. E. M. Hospital	31-12-1943	31-12-1943	
17	G. S. M. College	10-10-1943	31-12-1943	
18	Conservancy Department	30-9-1943	31-12-1943	
19	City Engineer's (Buildings Branch)	31-12-1943	31-12-1943	
20	City Engineer's (Works Branch)	31-12-1943	31-12-1943	
21	Fire Brigade	31-12-1943	31-12-1943	
22	Licence Department	31-12-1943	31-12-1943	
23	Gardens Department	31-12-1943	31-3-1944	
24	Markets and Slaughter Houses	*Nil.*	30-6-1943	
25	Mechanical Engineer	31-12-1943	31-12-1943	
26	Drainage Department	31-12-1943	...	
27	Legal Assistant's Office	30-9-1943	...	One consolidated return for 2 quarters was received and sent back under objection.
28	Test Audit Officer (Printing)	31-3-1944	...	

Some of the returns shown as submitted to audit in the above statement have been received so late during this year that their scrutiny is not complete at the time of writing this report.

The Commissioner's attention has been drawn again this year to the non-submission of the remaining returns under this office note No. M.C.A. 63/V, dated the 8th May 1944 and 19th September 1944.

It will be seen that the work of rendering accounts by the Departments upto 31st March 1944 and of checking and reconciling them by the departments with the books of the Chief Accountant has remained incomplete and the figures of revenue receipts published in the Appendix No. 3 of the Annual Report of the Chief Accountant, cannot therefore be vouch-safed as correct and balanced with the figures appearing in the books of the departments for which the returns upto 31st March 1944 have not been submitted to Audit.

Departmental Registers.

Inspection of the departmental registers at the time of writing the report showed incomplete character of writing, balancing and checking of books upto 31st March 1944. In some departments the books were not balanced and attested in token of their virtual completion. It may be remarked that though sufficient staff for complete internal detailed checking of revenue accounts in the departments has been given to the Chief Accountant, the demand registers in some departments were not found completely checked. Even the milk licence notices in the Health Department were found checked here and there with the postings in the demand registers. Counterparts of the licences at Bandra Slaughter House were also not found checked with the registers. It is not desirable that the work of internal control of the Chief Accountant should be scamped in this manner by his staff. A note to the Municipal Commissioner has been sent in this connection.

Income and Deposit Registers of the Chief Accountant's Office.

Several heads of account of rents and other miscellaneous revenue opened under different service heads, contained mixed figures of collections received through different departments or different branches of a department. Due to this, the figures furnished by the Departments in their revenue returns under such items could be reconciled with difficulty by picking out items relating to a particular department. Similar is the case in respect of the balances of deposits of the period prior to 1st April 1941 in the deposit registers where they have not been classified according to the Departments. These observations made in the last year's report have still remained unreplied though 1½ years have elapsed. The Departments also complain about the mixed figures appearing in the Chief Accountant's books, due to which the work of reconciling the figures is being much hampered.

Delay in replies to Audit Notes.

As laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, every query or observation made by Audit has to be promptly disposed of by the Officers concerned, but out of the 52 audit notes outstanding for the previous years and 149 notes issued during the year, replies so far received are only 37 for previous years and 99 for the year under report. This leaves 65 references outstanding till the time of writing the report. This year as usual the list of outstandings is not shown owing to the scarcity of paper.

Irregularities and omissions noticed in some of the quarterly returns were duly pointed out to the Departments and got rectified. Some typical instances of errors and omissions are given below :—

Chief Accountant's Department.

M.C.A.4192/V
24-2-1944

In the Deposit Registers of the Chief Accountant's Office all deposits under B.—Cash Deposits I, C.E. (*b*) Deposits from Improvement Schemes pertaining to the City Engineer's Works Branch, Building Branch and the Estate Agent's Office are shown under one head. It is, therefore, difficult to verify the deposit figures of departmental returns with the mixed figures on the Chief Accountant's books under this head, and it is necessary to sort out and group them according to the Departments. The Chief Accountant's reply is awaited.

M.C.A.4145/V
29-1-1944

The account of supervision charges in respect of Private and Departmental bills and of other bills, was not properly kept in the Demand Register of the City Engineers' Works Branch. There were omissions and excess postings both of demand and recoveries and no reconciliation of demand and outstanding with the Chief Accountant's books was made. There was no inter-departmental check maintained to see that all the demands were immediately brought on the registers as soon as they became due. The account of supervision charges rendered in the revenue returns of 1942-43 was therefore incorrect. Reply to the reference made to the Chief Accountant in this connection is still awaited.

M.C.A.3831/V
11-9-1943

The account head—Improvement Schemes Account, General Account Revenue—V. Miscellaneous Receipts, is operated by four departments *viz.*, Legal Assistant's Department, Estate Agent's Department, City Engineer's Works Branch and City Engineer's Buildings Branch, but in the Chief Accountant's book separate accounts for each department were not maintained. Due to this, the reconciliation of the departmental figures with those on the books of the Chief Accountant could not be verified. Scrutiny revealed that several items which appeared in the books of the Chief Accountant were not accounted for by any of the four Departments, while in some cases the same items were posted in the books of more than one department. With a view to avoid duplication and omission in the departmental books and to simplify the work of reconciliation, the Chief Accountant was advised to open separate sections for recording different departmental figures. The suggestion has been given effect to from 1-10-1943.

Controller of Stores.

M.C.A.4016/V
24-11-1943.

Sanctions were not noted in the Demand Register for rent free occupation and for a rented place occupied by an employee at Ballasis Pipe Depot. Reply is still awaited.

Legal Assistant's Department.

The following observations were made in the last year's audit report on the accounts of the Department :—

"The Registers of demand, collections and outstandings in respect of the Legal Assistant's professional cost, court fees, etc., are found incorrectly written up posted and unbalanced since the inception of that Department. The figures of recoveries are also not reconciled with the amounts shown on the Chief Accountant's books. The necessity of putting these registers on a proper working basis has been persistently pressed on the Commissioner and the Departments of the Chief Accountant and the Legal Assistant, since the year 1938-39 as can be seen from the previous audit reports. Nothing material has, however, been done in the matter o reconciling and correctly bringing out the outstanding balances in the Registers."

The replies of the Departments received through the Commissioner on these observations and other correspondence on the subject show that the two departments have failed to reconcile the accounts of the previous years and no arrears could be ascertained. The correspondence continued for four years during which period the omissions and irregularities in posting the registers continued due to want of co-ordination between the departments and want of intimations of adjustments from the Chief Accountant to the Legal Assistant. Consequently no returns for the period 1939-40 to 1942-43 have been furnished to audit, and in the circumstances the Commissioner has not pressed for the submission of the past years' returns. The first revenue return received from the Department was for the first half year ending 1943-44 which had to be returned for the following defects :—

(*a*) The opening arrears of Rs. 10,475-10-0 and Rs. 15,798-5-6 shown in the returns in respect of the Municipal and Improvements accounts respectively, are not certified as correct by the Legal Assistant and the Chief Accountant, who are unable to ascertain whether the items in connection therewith are really outstanding or not, as the accounts for the previous years have not been reconciled, and there are items with blank money columns in the book in respect of Court suits.

(*b*) The demand registers were not totalled and balanced.

(*c*) Several errors and omissions in postings.

(*d*) Mixed figures of adjustments effected for the different departments on the Chief Accountant's book.

The Legal Assistant has since issued instructions to the various departments showing the procedure to be followed in the matter of adjustment of legal charges and sending of intimations of the recoveries credited in the Chief Accountant's books to his Department. Results are being watched.

M.C.A.4033/V 3-12-1943 & 27-3-1944 — Demand for costs of a decree obtained on 26-2-1940 against a tenant of the Market Department was outstanding in the Demand Register of the Department. The Superintendent of Markets has been advised to recover the balance of costs and professional fees which are outstanding for years.

M.C.A.4153/V 4-2-1944 M.C.A.4195/V 24-2-1944 — Two adjustments giving credit to Law Charges were carried out in 1942 but the demands in respect thereof were shown outstanding, there being no postings of recoveries. The needful was got done.

M.C.A.4063/V 15-12-1943 & M.C.A.4037/V 3-12-1943 — In the Demand Register of the Department there were entries for certain suits filed against the Municipality for compensation or damages. They were got removed from the Register as there were no claims or costs to be recovered by the Municipality.

M.C.A.4066/V 16-12-1943 — An amount of Rs. 62-13-0 recovered on 28-9-1943 in respect of a decree passed on 1-12-1942, was kept under deposit account of the Election and Town Duty Office while the demand for Court and Professional costs was running outstanding. Necessary adjustment was got done in February 1944.

M.C.A.3962/V 19-10-1944 — An amount of Rs. 2-4-0 remitted to the Chief Accountant's Office was not supported by a receipt. Similarly no receipts were prepared for amounts recovered from Court in respect of half cost of settled suits. The Legal Assistant was advised to prepare official receipts in all cases.

M.C.A.3683/V 28-5-1943 — Two recoveries of Rs. 140 and Rs. 51-15-0 effected in May 1942 were not posted in the Demand Register and their relative demands were also not created. The Legal Assistant's reply to audit query is still awaited.

M.C.A.3977/V 23-10-1943 — Variation found in noting the demands in the Register for out of pocket expenses and professional cost of a bill issued to a party was enquired into. The Legal Assistant's reply is awaited.

M.C.A.4015/V 24-11-1943 — The Register for suits filed in the Small Causes Court and in the High Court was not totalled and balanced and the outstanding demands on 31-3-1943 were not carried forward. Reply is awaited.

M.C.A.4005/V 12-11-1943 — 128 items of demands comprising of bills preferred for agreements etc., and for legal advice pertaining to periods from 1936 onwards were outstanding in the Demand Registers. In many cases the bills are settled, and the Legal Assistant was requested to explain why they remained outstanding so long when adequate deposits are usually taken by the departments in the cases of agreements, etc. Reply is awaited.

M.C.A.4027/V 30-11-1943 M.C.A.4044/V 6-12-1943 M.C.A.4053/V 11-12-1943 M.C.A.4161/V 5-12-1943 M.C.A.4062/V 5-12-1943 M.C.A.4034/V & M.C.A.4035/V 3-12-1943 — Cases of outstanding demands in the books of the Legal Assistant pertaining to the Health Department, Estate Agent's Department, Assessment Department, Engineering Department, Garden Department, and Fire Brigade were referred to the Heads of Departments with a request to furnish particulars of recoveries, if made, and to steps taken by them to effect recovery if they were really outstanding. Replies are still awaited.

However, in about 15 items shown outstanding in the Register, the departments responsible for the recoveries could not be ascertained for want of proper particulars. Reply to reference made to the department for these cases is awaited.

Hydraulic Engineer's Department.

M.C.A.2802/V 7-5-1942 — Defects noticed in the Rent Demand Register of chawls and staff quarters for the year 1941-42 were referred to in the last audit report. No reply is still received from the department. However, in reply to these observations the Chief Accountant stated that the Hydraulic Engineer was requested to submit a complete list of chawls and other staff quarters let out rent free or otherwise, and the first list recevied on 16-9-1942 was returned being incomplete; and that the complete list was received late in 1944. He further added that the Rent Demand Registers for 1944-45 would be kept on the basis of the revised list and full information required by Audit would be embodied therein as far as possible. Thus it will be seen that the Rent Demand Register for staff quarters and chawls was not complete during the year under report.

Examination of the Rent Demand Register for 1941-42 and 1942-43 showed the following defects, errors and omissions :—

M.C.A.3924 V
27-9-1943

(*a*) Recoveries of rent from employees were delayed over a year and in some cases they were outstanding.

M.C.A.3925 V
27-9-1943

(*b*) Short recoveries of rent and electric installaton charges due to incorrect demand shown in the Register.

&
M.C.A.3826/V
11-8-1943

(*c*) Omission of certain demands from the register till the recoveries were made.

(*d*) Wrong cancellation of demands.

(*e*) Differences in the closing arrears of the year with the opening arrears of the subsequent year.

(*f*) Electric installation charges for the quarters at Bhandarwada were not recovered for a year.

(*g*) Sanctions for rent free quarters and for waiving of demand for electric installation charges were not recorded in the Register.

(*h*) Dates of occupancies and vacancies were not given in all cases in the Register.

(*i*) Entries of demand and recoveries were not attested by any responsible person of the office.

(*j*) No remarks were made for increase or decrease in demand for a quarter.

(*k*) Demands for rent were created in the Register simply because of erroneous allocation of recoveries and although the errors were subsequently set right the demands noted were not removed.

(*l*) Only personal accounts of recoveries of rent and electric installation charges were kept instead of maintaining Rent Register of all the chawls and quarters in charge of the Department.

Replies to audit references are still awaited.

A deposit of Rs. 15 was received on 18-7-1941 from a licensed plumber for testing fittings etc. Against this sum, fittings were tested in 1941, 1942 and 1943, but the demands for testing charges to be recovered were not noted in the Demand Register. As a result of audit action, an amount of Re. 9-10-0 was adjusted to Revenue in February 1944. Such demand should be brought on the register immediately when they accrue.

M.C.A.4036/V
3-12-1943

As per the arrangement with the Forest Department, 2/3 of the revenue derived from the Tulsi Forest is creditable to Municipal Revenue by the end of each official year. No amount was received in this connection for the year 1942-43. The Hydraulic Engineer explained that there was a heavy fall in revenue and the Divisional Forest Officer had submitted a bill on 18-1-1943 for excess expenditure over revenue amounting to Rs. 849-5-0 for payment, and he had requested the Forest Officer to carry it forward as debit balance in the share bill for the year 1943-44. The reason given by the Forest Officer for the fall in revenue is as under :—

M.C.A.3854/V
25-8-1943
& 11-10-1943

"According to new system the working plan was revised and the trees which might be felled from the area are very few and far apart. The labour involved is so great that it is not considered profitable to work these coupes for duration of war when the labour is scarce in the Salsette Range."

Amounts of six extra water-charges bills were carried forward as outstanding in the Demand Register for 1943-44 although they were adjusted in the last quarter of 1942-43. The necessary corrections were got done.

M.C.A.3724/V
28-6-1943

In two cases bills were not prepared for drawing water from the Municipal hydrants but their demands were noted in the register from the receipts passed. In another case a water charge bill was subsequently cancelled but the demand was shown outstanding. As a result of audit reference, the Hydraulic Engineer issued instructions to prepare bills in all cases of extra charges for water and to note the demands in the register therefrom. The outstanding demand for extra water charge was also cancelled.

M.C.A.3740/V
2-7-1943

The account for the recoveries of electric installation charges was maintained on demand, collection and arrears basis in the Rent Demand Register but the account rendered in the revenue returns was on recovery basis as the quarterly summaries were not prepared. An item of the Legal Assistant's Department was also found noted in the Demand Register of the Department both as demand and recovery. This was referred to the department and the needful was got done.

M.C.A.3955/V
14-10-1943

Three recoveries of Rs. 50 each, in respect of compounded charge for water used in temporary stables for race horses during 1937-38, 1938-39 and 1939-40, were received under deposit. No demands were created in the Register in respect of water consumed by the temporary stables, and the amounts in deposit account remained unadjusted. The matter being referred to the Hydraulic Engineer, the deposits were adjusted in November 1943.

M.C.A.3766/V
13-7-1943

The Building Notice Register was found incomplete in as much as outstanding items of the previous years were not brought forward, bills preferred in respect of notices issued were not noted, and the notices issued after 1-4-1943 were not recorded. Reply to audit reference is awaited.

M.C.A.2181/V
2-8-1941
& 10-1-1944

It was mentioned in the last year's audit report that an extra water charge bill was preferred for Rs. 43 against the correct amount of Rs. 63 as per the details shown in the bill. As a result of audit action, the undercharge of Rs. 20 was recovered from the party by preferring a supplementary bill.

M.C.A.3317/V
6-1-1943

As per Water Charges Rules for 1943-44 a levy of Rs. 6 per annum has been introduced for cleaning the dial and resealing of private meters. The account of these recoveries was not kept on demand basis in the Register. As the number of private meters are readily available in the various Meter Reading Registers, and with a view to ensure that in all cases of private meters the charge is recovered and also to know the correct position of outstanding cases, the Hydraulic Engineer was advised to open separate account in the Miscellaneous Revenue Register and to note the demands of all the private meters from the Meter Reading Registers in the beginning of the year. The account was opened on demand basis as suggested from 1-4-1944, but all the demands for private meters were not found accounted for. This was again referred to the Hydraulic Engineer whose reply is awaited.

M.C.A.4196/V
24-2-1944
& 18-9-1944

A list of 57 outstanding bills for extra water charges issued upto 31-3-1942 was sent to the Hydraulic Engineer for explaining the reasons why they were outstanding. As a result of audit query adjustments or recoveries were effected in 27 cases, 16 bills were cancelled and 14 bills remained outstanding. A further reference was made to the Hydraulic Engineer and his reply is awaited.

M.C.A.3722/V
28-6-1943
& 12-5-1944

In the Miscellaneous Demand Register the account of Supervision charges of P. O. & P. C. bills was not kept properly as required under Circular No. A.E. 731 of 24-6-1942. The opening arrears as on 31-3-1942 were not shown, and the recoveries effected through adjustments were not correctly posted. Some of the intimation slips in respect of adjustments were not made available to audit. The Chief Accountant was, therefore, requested to issue proper instructions to the Department which he has given on 1-4-1944, and the Department has agreed to maintain the account accordingly.

M.C.A.3774/V
14-7-1943

Thus the accounts rendered in the revenue returns for 1943-44 were on the basis of recovery and not on the basis of demand and collection.

Nine deposits received during 1939-40 to 1941-42 for preparation of agreements etc., were outstanding in the Deposit Register of the Department. From the reply received to the audit query it could be seen that no agreements were executed. In one case the deposit was refunded on 9-3-1944 as the right was terminated. In another case the deposit received for a yearly right of 1939 was proposed to be utilized for an agreement of the current year's right.

M.C.A.4033/V
3-12-1943

This shows that there is unusual delay in preparation and execution of necessary documents.

Quadruplicate Notice Book for non-payment of water charges was introduced at the instance of Audit, but the account for notices issued was not maintained separately on demand basis in the Demand Register. The dates of notices issued were not shown in the office foils of the Notice Book and they were also not attested by any responsible person of the office. This was referred to the Hydraulic Engineer, who stated that a separate account of notice fee was opened as from 1-4-1944 on demand basis of all the notices issued, and that the dates of issue of notices were being shown in the office foils and were being authenticated by the Head Clerk of the Section.

M.C.A.4105/V
10-1-1944

No additional charge of 15 per cent., over the usual fee for testing and sealing of private meters was found levied on the parties upto October 1943 although the recovery of additional charge was laid down in the Water Charges Rules for the year 1942-43 and 1943-44. Reply to audit query is awaited.

M.C.A.4194/V
24-2-1944

Instead of charging the standard rent of a Municipal quarter, rent at 10 per cent., salary basis was recovered from an employee occupying free quarters on his transfer to another place. Reply is awaited.

M.C.A.3920/V
24-9-1943

Lists of outstanding bills for meter hire and sale of water by meter measurements pertaining to the years 1939-40 to 1942-43 were sent to the Hydraulic Engineer for explanation, as the rent for Municipal water meters let on hire to consumers is payable in advance, and adequate deposits are generally taken from the parties concerned. As a result of audit action, some bills were either recovered or adjusted and some were cancelled. It was further noticed that in several cases bills for subsequent periods were recovered leaving the bills of previous periods outstanding; in some cases water charges were recovered but the meter hire was outstanding; and notes of cancellation of bills and postings of recoveries of some of the bills were not made. The issue of notices of demand was also found considerably delayed. Replies to audit references are awaited.

M.C.A.3854/V
2-9-1943
& 17-1-1944
&
M.C.A.3855/V
2-9-1943
& 11-1-1944

In two bills of private connections during May 1939, the testing charges were shown as charges for materials and the inspectors attendance fees were shown under labour charges. The charges shown under 'Materials' were also found in the Stores Abstracts for the materials indented by the Department. The Hydraulic Engineer was requested to account for the materials indented from the Store-keeper of the value shown in the Stores Abstract. He explained that it was a clerical error in preparing bills under a misunderstanding and the materials indented were evidently used on maintenance works. It was pointed out to the Commissioner that the explanation given by the Department, *viz.*, the materials for which the charges were debited to the advance account were evidently used on the maintenance work was not convincing and that there was no control over misuse and waste if the department certified the bills without proper regard to receipt and utilization of materials for which the Grants were debited. Reply is awaited.

M.C.A.3821/V
7-8-1943
& 9-2-1944

At the Malabar Hill Reservoir garden it was noticed that fruit bearing trees like plantains, pupias, etc., grown at the western toe of the garden were being watered from the Municipal hydrants by the malis of the garden. Vegetables like salad were also seen manured and grown thereat in special troughs. Good many bunches of plantains were also observed on the trees. As the receipt books did not show any sale proceeds of fruits and vegetables the matter was referred to the Commissioner who called for a report from the Department. The Hydraulic Engineer in his report stated that the trees like plantains etc., were grown by the staff in the Municipal private land near quarters at private expense and the fruits were naturally appropriated for private purposes; that the Municipality did not stand to lose anything, not even water, as the trees were usually grown in a place where percolation water was always available, and but for these trees malarious and unhealthy condition would be created; and that the staff ought to be encouraged to grow vegetables and small plants wherever possible and practicable to do so in these days of "Grow More Food" Campaign.

M.C.A.3986/V
2-12-1943
& 19-1-1944

It is no doubt a laudable idea to grow fruit trees and vegetables in available Municipal lands in these days, but it is desirable that such spaces should be made to yield some revenue.

The cost of the purchase of water meters estimated at about Rs. 3,01,025 is being met by an annual provision made in the Capital Works Budget. It was suggested to the Commissioner, as reported last year, that in view of the annual income of about Rs. 75,000 derived from the hire of meters and in view of the life of meters of about 25 years only, the cost may better be distributed over the revenue grants for the next few years instead of the Capital grants. The Chief Accountant argued to say that the currency of our loan is fixed at 30 years and the meters will be required to be replaced after about 25 years and therefore, the cost of new meters can very well be met from new loan. Apart from the technical objection against creation of a debt for a period longer than the estimated

M.C.A.2/18/I
16-10-1942

life of the assets purchased thereout, the provision of water meters in the City on rental basis is a scheme separate by itself and it is desirable to keep the income derived therefrom as a separate amount as distinct from the income for the supply of water and to meet all expenses thereout. I am therefore, inclined to agree with the Hydraulic Engineer to create a separate water meter fund to which may be credited and debited all receipts and expenditure in connection with the provision of water meters in the City.

As the receipts from meter hire are fairly good, the fund will be able to bear all the expenses for their repairs and maintenance as well as the cost of future replacements. This measure will also help to reduce to some extent the annual surplus appearing under the General Account of Water Works.

Chief Librarian.

M. C. A.4045/V
6-12-1943

The Municipal Libraries were transferred from the Schools Committee and put in charge of the Chief Librarian in March 1943. It was noticed that (1) there were no recoveries for library deposits till 25-5-1943, (2) certain recoveries were acknowledged on typed receipts, (3) no register was maintained of receipt books issued to various librarians and (4) in several cases the librarians delayed remittance of deposit moneys for days together. The Chief Librarian explained that prior to 25-5-1943 the library books were allowed to be read on spot and not issued ; the various registers and receipt books were printed late and as no separate receipt book was printed, he had to pass typed receipts in March 1943. The delay in remittances was due to the persons being new and not acquainted with the Municipal procedure, and the register of receipt books and remittance slip books issued to various librarians has since been maintained.

Health Department.

M.C.A.3775/V
15-7-1943

A short recovery was noticed in respect of issue of a birth certificate which was duly brought to the notice of the Department and got recovered.

M.C.A.3866/V
2-9-1943

The remittances of the Arthur Road Hospital were found often delayed for over 24 hours during March 1943. The Superintendent of the Hospital explained this to be due to one peon attending to cash and despatch work who could not bring the remittance book back daily from the Chief Accountant's Office. This has since been set right by issue of two remittance books to be used on alternate days.

M.C.A.3956/V
14-10-1943

In the Rent Demand Register for staff quarters of the Turner Sanatorium it was noticed that (*a*) a dhobi who was entitled to one room was shown occupying two rooms rent free ; (*b*) a bhisti not entitled to rent free accommodation was allowed a room rent free ; (*c*) sanctions for rent free quarters were not noted and (*d*) two rooms in the old servants' quarters were shown as vacant without assigning any reason therefor. In reply to audit reference, the Executive Health Officer explained that two dhobies were occupying the rooms but the name of only one was shown through oversight ; for allowing the bhisti rent free occupation as from 1-1-1942 sanction of the Standing Committee had since been obtained (*vide* Standing Committee Resolution No. 1704 of 2-2-1944) and that the sanctions for rent free quarters, and the use of two vacant rooms for storing unserviceable articles and fire wood were also recorded in the Register.

M.C.A.4205/V
28-2-1944
& 7-7-1944

Ramesh Premchand Tuberculosis Hospital buildings and the surrounding lands at Sewree have been taken over by the Naval Authorities from 1-4-1943. No demand was shown in the Demand Register for the recovery of rent in respect thereof. In reply to audit enquiry the Executive Health Officer explained that the question of rent was under correspondence and it had since been fixed at Rs. 3,500 per month and taken on the Demand Register.

M.C.A.3952/V
11-10-1943

Under Corporation Resolution No. 865, dated the 9th January 1939, the distribution of contributions received from the public through poor boxes to the staff was stopped. It is observed that in the Arthur Road Hospital a fund called "Nurses' Welfare Fund" is started to which portions of moneys received as donations from the public for treatment of patients are being credited whenever it is so specified by the donors. Similar donations are also received by the Committee, managing the "Nurses' Welfare Fund" of the K. E. M. Hospital. The department was asked whether any orders of the Corporation were obtained for crediting such moneys received in connection with the treatment of patients in the Hospital by the Municipal Authorities to the "Nurses' Welfare Fund." It appears from the reply received that the fund is treated as a private fund and sanction of the Commissioner for its creation has since been obtained. If the fund is a private one, its receipts and payments should not be merged in the Municipal Accounts. The money received may be invested separately by the authorities of the fund just on the line of the Snow's Relief Fund.

M.C.A.4091/V
5-1-1944

At the Arthur Road Hospital it was noticed that the Certificate Book was not consecutively numbered and some pages therein were missing. For filling in the death forms for Insurance Companies for policies of the deceased patients, fees are charged on the amount of insurance but no data was available for verifying the fees charged to the parties. Recoveries in some cases were also found wrongly allocated. Reply to audit reference is awaited.

M.C.A.3737/V
2-7-1943

In a milk licence notice issued against a hawker the data (the quantity of milk) on which the fee was charged was not stated . This being pointed out to the Executive Health Officer, the needful was done, and the Milk-Sub-Inspector was asked to be more careful in future by him.

M.C.A.3738 V
2-7-1943

Bad coins found in the Poor Box at the Imamwada Maternity Home on 31-3-1943 were not forwarded to the Accounts Office along with the other collections of Poor Box till 3-5-1943. It was explained by the Head Clerk that they remained to be sent inadvertantly. The clerk was warned by the Commissioner to be more careful in future.

M.C.A.3890 V
11-9-1943

In the Deposit Register of the Assistant Health Officer A and B Wards entries were not found made in their relative columns ; no voucher numbers were given against the postings and the corrections or cancellations were not attested. The Deposit Register is designed to avoid copying out of the outstanding balances for three years, yet the oustanding balances of a year were recopied. On a reference made by Audit to the Health Officer, the needful was done.

M.C.A.4089/V
3-1-1944

Four servant passes issued by the Assistant Health Officer, A and B Wards in respect of milk licences during 1942-43 were cancelled subsequently, but the originals were not found attached to the counterparts. On a reference made by audit a search was made for the originals by the Department but they could not be traced.

M.C.A.3602/V
24-4-1943

Messrs. Polson Ltd., were granted licences during 1939-40 under B. P. A. Act for keeping ghee and butter for wholesale business at premises No. 237, Frere Road, Fort. They discontinued keeping ghee at the premises and the licence for keeping butter was renewed for 1940-41. The storing of butter was afterwards stopped but retail business of selling ghee and butter at the same premises was continued.

For keeping ghee and butter for retail business no licences were, however, found issued to them by the Licence Department. To an audit query whether intimations are sent to the Licence Department when a wholesaler turns into a retailer, the Assistant Health Officer explained that intimations were usually sent but in this particular case the point escaped attention, and he had issued a memo to the Licence Department on 23rd June 1943 for taking necessary action in the matter. As a result of audit action fees for keeping ghee for four official years amounting to Rs. 12 and fees for keeping butter for three official years amounting to Rs. 9 were recovered by the Licence Department on 6th August 1943.

M.C.A.3937/V
4-10-1943

Demand Register for wash-stones of Dhobiwada at Mahalaxmi was not found written upto date. In the Bhatti Register the daily totals of the bhuttis burnt, were not cross tallied with the monthly totals, and the dates of test checking of the bhuttis lit, by the Supervising Officers were not given. This was pointed out and the needful was done.

M.C.A.3898/V
18-9-1943

In the Demand Register of the Malaria Office no demand was noted in respect of leave salary contributions recoverable from Government for deputation of an employee to the Food Controller's Office as from 1st May 1943. In another case a demand for supervision charges for anti-malarial measures taken by the Department in respect of Back Bay Reclamation Scheme was shown for the first time in the register of 1942-43 without any reference to bill number etc., although the anti-malarial measures were being taken for a long time. As a result of audit query needful has been done in the former case while in the latter, papers (under case No. H. 443) called for from the department are still awaited.

M.C.A.2389/V
10-11-1941

In the audit report of 1941-42 a reference was made to a case wherein the licence fees under B.P.A. Act for 1939-40 and for 1940-41 (on transfer of the business) were not recovered for a ghee-shop at 35, Shaikh Memon Street. The Executive Health Officer explained that a licence under B.P.A. Act was granted for 1940-41 from the date from which the owner complied with the requirements of the Act, and not from the date of starting the business. He has since issued instructions to the staff to recover fees in such cases in future, from the date the business is started unless a prosecution is launched for carrying on the trade without a licence. As regards non-recovery of fresh fee on transfer of the business he explained that the business was carried on jointly by the father and his son. The present licensee is the son of the former and it was possible that the staff was not aware of the change of ownership of the shop and as the change in ownership was only formal it would have been unfair to recover the fees from the present licensee for the part of the year 1940-41.

It may be observed that no provision exists for transfer of licence in the B.P.A. Act and if a business licensable under the Act is transferred a fresh licence is necessary and the licence fee becomes payable afresh by the new owner.

K. E. M. Hospital and G. S. M. College.

M.C.A.3828/V
13-8-1943
& 17-3-1944

No demand was noted in the Demand Register of the G. S. M. College for leave salary contributions recoverable from an employee whose services were lent from 1st April 1942 to the Indian Research Fund Association. The recoveries were not effected regularly month by month. No interest was also recovered from the employee for delay in payment of the contributions. An amount of leave salary contributions recovered from him on 21st April 1943 was kept in deposit and not adjusted. Reply is awaited.

M.C.A.4070/V
31-1-1944

For occupying the quarters attached to the K. E. M. Hospital two employees were charged rent on floor area basis while three others were charged rent at 10 per cent., of their emoluments after their transfer to other departments. Similar instance of differentiation in treatment was pointed out last year too, where an officer of the rank of the Controller of Stores was charged rent at 5 per cent of his salary *i.e.*, Rs. 28-12-0 per month as against Rs. 40 per month on the floor area basis charged to a Head Clerk, for overstayal in the quarters after their transfer to other departments. In such cases one uniform method should be followed.

M.C.A.2493/V
10-4-1942

All staff quarters whether occupied rent free or otherwise required to be brought on books were not accounted for in the Rent Demand Register of the K. E. M. Hospital. Only the quarters occupied on payment basis for rent and electric charges were shown therein. Moreover, the form in which the account was kept, was that of the Miscellaneous Revenue Register instead of the one adopted for the Rent Demand Register. The Dean was advised to open this account in the appropriate form which he has agreed to do with effect from 1st April 1944.

M.C.A.3817/V
5-8-1943

As per the schedule of fees, the frogs supplied to students of the G. S. M. College for Physiological and Anatomical experiments are to be charged at annas two per frog. It was noticed that students were being charged at an enhanced rate of Re. 0-2-6 per frog which was not sanctioned by the Commissioner. In reply to audit reference the Dean explained that due to abnormal conditions created by war, it became difficult to procure frogs at less than annas two each, and hence the recoveries were effected at Re. 0-2-6 per frog from 27th July 1942. Sanction of the Commissioner has since been obtained to regularise it.

M.C.A.3316/V
5-8-1943

In the Register for sale of parts of dead bodies of the G. S. M. College no entries of the disposal of the parts were found made in some cases, while in some other cases no fees were found recovered for the parts issued to students. There were also no proper attestations. The Dean being referred to in the matter issued necessary orders for the proper completion of the Register and authorised the Demonstrator to sell parts to students and issue them another free of charge, whenever a part goes bad.

M.C.A.4188/V
23-2-1944

A sum of Rs. 2,500 of the Poor Box Charity Fund was invested as fixed deposit with a Co-operative Society instead of in Government paper or in fixed deposit with any approved Bank. The Dean being referred to, the needful has been done.

Conservancy Department.

M.C.A.3692/V 7-1-1943

The Corporation under their Resolution No. 1011, dated the 16th January 1941 approved of a lease of right for exhibiting advertisements on the outer walls and roofs of 51 public urinals in the City being granted to Messrs. Comadverts for three years with effect from 1st February 1941 for Rs. 21,000, exclusive of licence fees for advertisements and municipal taxes, on certain other terms and conditions. The rent was payable in advance by instalments of Rs. 555-9-0 per month. Written agreement was not executed in respect of the lease. The party ran in arrears of six months rent, *viz.*, Rs. 3,333-6-0 and he disputed payment of Municipal taxes. The procedure followed by certain Government Departments *viz.*, to demand solvancy certificates from the parties in cases where large amounts are involved before they are allowed to bid at auctions in addition to the usual payment of security deposit, was suggested to the Commissioner for adoption in the Municipality. Reply is awaited.

M.C.A.3960/V 19-10-1943

As per Executive Health Officer's circular No. H. 8415/S.R. of 3rd July 1940 all bad coins received duly cut by the Health Department from the Chief Accountant's Office are to be forwarded to the Conservancy Department for disposing them off in the best way possible. The cut coins collected in the Department weighing about 6¼ lbs. remained to be disposed off. On a reference from audit the Commissioner ordered that the cut coins along with other coins of foreign countries should be sent to the Controller of Stores, who should put them to auction along with other materials and the sale proceeds of the coins should be credited to the Poor Box Account.

M.C.A.2555/V 19-1-1942 & M.C.A.1768/V 2-10-1941

It was pointed out in the previous audit reports that the Rent Demand Registers of Staff Quarters and Chawls of the Conservancy Department, which were opened as from 1st April 1941 were not brought upto date. Since then, the matter was brought to the notice of the Standing Committee in case No. M.C.A. 3609/V of 29th April 1943. The Commissioner, in his report underlying Standing Committee Resolution No. 80 of 19th April 1944, explained as under:—

"The system of maintaining Rent Demand Register in the Conservancy Department is not a simple matter as it seems at first sight, inasmuch as, rents have to be charged to the scavengering men at the rate of annas 8 per month and to scavengering women at As. 5 per month and to halalkhore men and women at the rate of annas 10 per month, to adult male outsider at Rs. 2 per month, and to female outsider at Re. 1 per month, and as in one single room there may be two or more families staying with a number of outsiders both male and female. The number of persons staying in a room thus varies from month to month and the ascertaining of the demand room by room and month by month becomes, therefore, a very difficult matter. Moreover, in one chawl there may be occupants working in other wards or in other Departments, and the position becomes difficult for the purpose of ascertaining the demand and for reconciling recoveries month by month or quarter by quarter. A suggestion was, therefore, made to the Head Supervisor by the Test Audit Officer, some time last year, that the Demand Register should be kept not chawl by chawl as was suggested some years ago, but ward by ward and summary prepared every month to reconcile the number of rooms in the chawls with the number of rooms for which recoveries have been effected. This is still under consideration and is expected to be brought into effect from 1st April 1944."

However, till the time of writing the report in September 1944, no returns showing the account of demand, collections and arrears of rent of the chawls have been received by Audit, and accordingly it may be reiterated this year too that the rent account with an annual revenue of Rs. 63,000 remains entirely unexamined by Audit.

City Engineer's Works Branch.

M.C.A.4197/V 24-2-1944 & M.C.A.4228/V 17-3-1944

Fee for permission to install a swing on the set-back land at Khadak Dongri Street was recovered at the rate of Rs. 2 per day as against the fee of Rs. 3 sanctioned by the Commissioner in a similar case. No written permit was also issued as required under Section 313 of the Municipal Act. The City Engineer explained that the occupation was allowed at the rate of Rs. 2 per day before the papers of the other case where the Commissioner had fixed the fee of Rs. 3 per day were received in his office; and although a demand at the rate of Rs. 3 per day was made on the party subsequently, he refused to pay it.

In another case for occupation of a portion of Cochin Street by Messrs. Marshall & Co., for keeping steam rollers, the fee was charged at the rates fixed for scaffoldings which is permitted for constructions repairs etc., to buildings under Section 322 of the Municipal Act. The keeping of steam rollers does not fall under the category of scaffoldings, etc. Reply to audit query in this case is still awaited.

It may be remarked that such cases of occupations of streets, allowed to the public for different purposes with due regard to the exigencies of traffic, are required to be regulated by issue of proper permits under Section 313, and where such permits are issued, fees at the rates fixed by the Corporation for different kinds of occupations have to be recovered (*vide* Section 479(2) of the Municipal Act). This irregularity being pointed out, the Commissioner has agreed to prepare the permit forms for different kinds of occupations of streets and to include the rates of fees in the Schedule of Fees after obtaining due sanction of the Corporation.

M.C.A.4152/V 4-2-1944

Fees for depositing building materials, erecting scaffoldings, etc., during the year 1942-43 were outstanding in four cases in the Demand Register. The City Engineer's explanation is awaited.

M.C.A.4179/V 17-2-1944 & M.C.A.4209/V 2-3-1944

For hire of steam rollers to private parties and for using them on departmental works fees are prescribed in the Schedule of Fees. In the case of Private Works Bills the recoveries for hire charges are credited to Revenue under Hire of Tools and Plant, etc., and to the Expenditure grant under "Materials" in the proportion of 2 : 13 respectively, while in the departmental bills recoveries of these charges are credited wholly to the Expenditure Grant under "Materials". There is thus an apparent disparity in allocating the hire charges of the same item. Besides, the practice of giving credits for the whole amount of hire charges of the rollers to the Grant under Materials seems unjustifiable in view of the fact that the cost of running the rollers is for labour and materials and therefore the entire credit given to Materials help to inflate that Grant. The City Engineer's reply to audit query is awaited.

M.C.A.4190/V 23-2-1944

The service of Mr. B. M. Shah, Inspector of the Department was loaned to Government for A. R. P. Works. In the Demand Register the monthly demands for leave salary contributions recoverable from Government were not shown as and when they became due, but they were shown only when the amounts were either recovered or adjusted out of the deposit. Interest also was not found recovered for delay in payment of these charges as required by Rule 122

of the Municipal Service Regulations. When the employee reverted to his post in the Municipality his leave salary contributions were adjusted and the recovery was found short by Rs. 1-10-0. The City Engineer's reply is awaited.

M.C.A.4193/V
24-2-1944

Permit for erection of a temporary booth at Naviwadi, Dadi Seth Agiary Lane was issued on 30th September 1943 but the fee of Rs. 63 recovered on 29th September 1943 was found lying in deposit. The City Engineer's reply is awaited.

M.C.A.3130/V
30-9-1942 & 27-1-1943

In the last report it was stated that the necessary deed of licence for permission granted to the B. E. S. & T. Co. Ltd., to lay mains in the private lane off Dharavi Road was not prepared although the Company had paid the requisite amount in 1939 for the same. The papers appear to have been sent to the Legal Assistant in October 1942 for doing the needful but the City Engineer reports that the agreement is still not prepared.

M.C.A.3227/V
21-11-1942

In the last year's Audit Report it was stated that the receipts passed in favour of different parties were posted against one of them in the Annual Ground Rent Register; the periods appearing in several receipts varied with those shown in the Demand Register and some of the Demand Registers were not attested monthly by the Head of the Department and quarterly summaries were not prepared. The City Engineer explained that the former tenant had vacated his shop and a company stepped in, and paid rents but they were not accepted as tenants for some time. On receipts of the Commissioner's orders, the tenancy was transferred in the name of the owner of the Company and hence the postings of receipts passed to different persons were against one tenancy in the Demand Register. As regards the variation in the periods shown in the receipts and other omissions in the Registers, the needful was done. The City Engineer has been advised that in such cases the receipts should be passed on behalf of the tenants in whose name the tenancies stand and that the pocket ledgers of the Inspectors should be compared periodically with a view to avoid variations in the periods shown in the receipts.

M.C.A.4204/V
28-2-1944

No register of the stock of Tender Forms was maintained in the Department. The sale proceeds of these forms were credited to revenue instead of to the Printing Grant as required under Circular No. A.E. 741 of 8th January 1943. This being referred to the City Engineer, the needful was done.

M.C.A.4189/V
23-2-1944

In three cases, sales of cutwood lying at different depots were sanctioned during the year 1942-43, but were not taken on the Demand Register till 3rd May 1943. The City Engineer explained that in one case noting of demand was lost sight of due to complaint; in second case it was noted when the papers were received back from ward office and in the third case the demand was noted when the correct credit head was ascertained. He has issued instructions to his staff to take notes in the Demand Register as soon as the sanctions for acceptance of offers are received in his office.

M.C.A.3867/V
2-9-1943

Demands in respect Rights given in 1942-43 for removing cocoanut fruits from trees in various wards and for cutting grass at Gibbs Road were outstanding in the register. Attention of the City Engineer being drawn to it, the deposits received in connection therewith were adjusted and the oustandings cleared.

M.C.A.4221/V
7-3-1944 & 7-9-1944

In the buildings requisitioned in connection with A. R. P. Work there are nearly 1,800 tenements. Upto 28th February 1944 most of these tenements were occupied rent free by the Municipal servants employed on A. R. P. Work. Some of these tenements were also let to outsiders on payment of rent. However, since 1st March 1944 rents on certain fixed basis are to be recovered from the Municipal employees. The recoveries effected are both in cash (from outsiders) and through paysheets from the employees. It has been noticed that no Rent Demand Register showing the total number of buildings with the tenements therein and the rents fixed therefor is maintained in the Head Office. Only a Register of the tenants paying rent in cash is kept. This does not serve the purpose of ascertaining the demand and recoveries of all the tenements. The City Engineer has been advised through the Chief Accountant to do the needful in the matter. Reply is awaited.

M.C.A.4238/V
27-3-1944

In the Demand Register of the Department errors and omissions of the following nature were noticed :—

(a) Demand, collection and arrears of supervision charges for Private and Departmental bills not correctly recorded.

(b) The demands for supervision charges for A. R. P. Work noted some times twice over and without bill numbers, etc.

(c) Reasons for non-recovery of dues not recorded in the Register.

(d) Demands noted on cash basis in several cases.

(e) Omissions and mispostings.

(f) Several items of demand and recoveries in the various Registers not found checked by the Chief Accountant's staff.

Reply to audit reference is awaited.

M.C.A.3903/V
21-9-1943

It was noticed that no demand was created in the Demand Register for the assessed amount of damage to a gas lamp but as and when part recoveries could be made from the parties, they were shown in the Miscellaneous Revenue Register as demands as well as recoveries. This procedure does not help the watching of recoveries against the dues. The City Engineer's attention was drawn to this and he has issued necessary instructions to the staff to avoid such irregularities in future.

Mechanical Engineer's Department.

M.C.A.1050/V
27-7-1943 & 13-9-1943

In the audit report of 1940-41 a reference was made in respect of encroachment over a Municipal drain at Apollo Reclamation. The Mechanical Engineer now reports that the party disputes the date of encroachment and hence the delay in finalizing the issue and the papers are sent to the Legal Assistant. It may here be observed that the Department had passed a receipt for rent for a period of five years ending 28th February 1942 without recovering the arrears for the period *viz.*, 1st March 1936 to 28th February 1937 for which the party disputes payment. In another case of laying a private drain through the Municipal land at 85-95 Elphinstone Road, sanction of the Improvements Committee is still not obtained though the drain was laid somewhere in the year 1936. The Mechanical Engineer now explains that the property had changed hands several times and it is found difficult to make the new owners to pay the necessary deposit to cover the legal cost. The rent in this case is recovered only from 1st June 1939 and kept in deposit.

The necessity of taking timely action by the department cannot be over emphasized in view of various difficulties that arise after a lapse of time due to changes in ownerships etc.

M.C.A.2277 V
8-11-1943

It was mentioned in the last audit report that the demand for six rooms of the chawls at Love Grove Pumping Station occupied by the Schools Committee for a school was brought on the Rent Demand Register, as from 1st March 1943 at the instance of Audit. In this connection it was observed that undue delay used to occur in adjustment of rents for the monthly bills sent by the Mechanical Engineer to the Schools Committee and as a result, the Rent Demand Register used to show heavy arrears. On a reference being made to the Commissioner in this connection, the needful was done to adjust the account from month to month.

M.C.A.3033, V
7-5-1943

Amount of a standing deposit received from a party for permission to use Municipal land at Arthur Road was taken under Revenue. Certain receipts passed by the Drainage Department were made out in pencil and their printed numbers were also altered. The Mechanical Engineer, being referred to, restored the amount of standing deposit to Deposit Account and issued instructions to the staff not to change the printed number on the receipts but to prepare fresh receipts in case of mistakes and to make out receipts in copying pencil.

M.C.A.3621, V
4-5-1943
& 10-11-1943

Although the quarters constructed for Chemist, Inspector, and Gas Engineer at the Dadar Purification Works were occupied by them from 1st February 1943, 1st March 1943 and 15th February 1943 respectively, their relative demands for rent and electric installation charges were not taken in the Rent Demand Register. On a reference by audit, the needful was done.

M.C.A.4035/V
31-12-1943

The revenue returns of the Assistant Engineer, Drainage for the year 1940-41 and 1941-42 were not received upto 31st December 1943. In the returns for 1942-43 for the three quarters ending 31st December 1942 no account was rendered in respect of supervision charges of Private Works Bills. This being pointed out, the City Engineer explained that the account of supervision charges for Private Bills would be rendered from 1st April 1943 as no account was maintained by the Drainage Office till then. As regards the revenue returns for the years 1940-41 and 1941-42, their submission to audit was waived by the Commissioner.

M.C.A.4083/V
3-1-1944

In the Rent Demand Register for Chawls at Love Grove Pumping Station a cooly working under A. E. Maintenance (G Ward) was shown to have vacated a room on 1st April 1941 leaving arrears of Rs. 3 which have since been written-off. A number of rooms were shown vacant in the register for a long time some from 1st April 1941. To an audit query on the question of these vacancies the Mechanical Engineer replied that since then some 19 rooms were already occupied and that only 2 rooms were kept vacant for emergency purposes.

M.C.A.2307/V
10-11-1943

It was mentioned in the report of 1941-42 that several deposits in respect of revenue demands were found outstanding in the Deposit Register and their relative demands were not shown in the Demand Register. As a result of audit action out of 33 cases of outstanding deposits, 18 cases have since been adjusted, in one case refund is proposed, three cases are treated as security deposits, and the remaining eleven cases are still outstanding due to non-preparation of agreements etc.

City Engineer's Building Department.

M.C.A.4230/V
31-3-1944

Stall-boards and weather frame projections in front of shops Nos. 5 to 10 of Vazir Building on plot No. 37 at Sandhurst Road were in existence for a long time, but no action was taken either for recovery of fees or for their removal on the ground of turbulent nature of the shop-keepers. The plot was re-entered by the Municipality on 31st January 1939 and yet action was delayed till January 1943, when the projections of shops 5 to 8 were brought on the Register. The projections of the remaining shops were not accounted for in the Demand Register. The City Engineer stated that there was a number of stall-board projections over foot-paths in the City for which fees were not paid. He further explained that the stall-boards attached to these shops were first noticed in July 1941 and action for their removal was subsequently taken. In August 1943 the Commissioner however, decided to allow these projections on certain conditions. The projections of four of the shop-keepers, who agreed to abide by the conditions and paid fees, were taken on the Register, while the owner of shops No. 9 and 10 did not comply with the conditions till 14th January 1944, and the demand for fees could not be shown in the register till the Commissioner's orders were received. They have since been taken on the Register.

It may be observed here that the building is situated on such a prominent junction like Bhendi Bazar and not far from the Ward Office at Gazar Street, and yet the projections were noticed by the Department only in July 1941; and the fees for the period prior to 1st January 1943 were lost to the Municipality.

From the correspondence it also appears that nearly 550 unauthorised stall-boards exist in this section alone for which the Municipality cannot take any action as can be seen from the following extract of the City Engineer's note No. C.E.S.R. 3893, dated the 2nd December 1943.

".....There are several stall-boards which do not pay fees. When the scheme for levying fees on stall-boards was started it was intended to tackle certain areas in the first instance and expand them by appointing additional staff from time to time. Accordingly for the first few years staff was gradually increased to tackle more areas. Since 1938 no increase in the staff has been proposed as a feeling was gaining that the City should be cleared of all the stall-boards by increasing the staff not for the purpose of increasing the revenue but to put a stop to the practice of granting permission to project stall-boards on payment of fees. This question has still remained undecided by the Corporation.

In the meantime the staff was instructed to extend the area of their action and they have gradually done so.

In the beginning, where the localities were known to be very difficult to deal with, they were omitted from action as it was feared that any action taken against such stall-boards would result in a breach of peace of the City. Such stall-boards were tolerated in the beginning and many of them have by this time been brought under action.

As per Municipal Commissioner's latest orders no permission for a fresh stall-board is being granted with the result that when unauthorised stall-boards are detected it is not possible to give permits. This has added to the difficulty of working....."

It may be remarked that the existence of such a large number of unauthorised stall-boards being tolerated by the Municipality because of the reported turbulent nature of the shop-keepers is undesirable as it amounts to injustice to the other peaceful businessmen who pay the fees from year to year to the Municipality for such occupations.

In the circumstances it seems desirable that lists of unauthorised stall-boards existing in each section and ward in the City should be drawn up and submitted to the Corporation, for their decision whether in view of the difficulties explained by the City Engineer, permits should not be issued to avoid the revenue loss occurring to the Corporation.

M.C.A.3233/V — 23-11-1942

In the last year's audit report it was mentioned that several deposits received in respect of gallery etc., projections fees for Improvement Schemes Account during the period between 1910 and 1929 were shown outstanding in the Deposit Register of the Department. As a result of audit action all these outstandings were cleared from the deposit account by credit to "Unclaimed dues and deposits."

M.C.A.3689/V — 3-6-1943

In the Demand Register a demand of Rs. 2,158-4-0 for building materials sold during 1940-41 was outstanding, and the relative sanction for sale was also not noted. The City Engineer explained that the amount was paid under deposit and adjusted on 19th March 1941, but inadvertantly the posting was omitted to be taken in the Demand Register. The needful was done in the matter.

M.C.A.3752/V — 7-7-1943 & M.C.A.4144/V — 29-1-1944

Demands for gallery etc., projections fees were shown on recovery basis in the demand register instead of on permit basis. The demands for Surveyor's licence fees were also shown on recovery basis without any reference to licence numbers and the year to which they were issued. Reference being made to the City Engineer the needful was done.

M.C.A.3712/V — 23-6-1943

In thirty three cases of gallery etc., projections, which were sanctioned by the Commissioner during the period from 1919 to 30th September 1942, permits were not issued upto 31st March 1943. As a result of audit query, in 25 cases permits were issued and the fees amounting to Rs. 75,356-12-4 were either recovered or adjusted. In the remaining 8 cases permits have not been issued as either the constructions were not undertaken or the legal formalities were pending.

M.C.A.4155/V — 8-2-1944

In December 1941, services of three employees of the Department were requisitioned by Government for A. R. P. Work, and they were relieved on 11th January 1942. Out of the three employees two reverted back to their posts in the Municipality on 1st April 1943 while one continued on deputation. No sanction of the Corporation was found obtained for continuation of his services on deputation as from 1st October 1943. In the Demand Register of the department the account of leave salary contributions recoverable from Government was shown on recovery basis and that too in respect of the two employees who reverted back to their posts. The entries of demand and recoveries in the register were also not attested by any responsible person in the Department. In the case of the employee remaining on deputation no demand was noted and recovered. Reply to audit reference made to the City Engineer is awaited.

M.C.A.3678/V — 25-5-1943

Twenty four items in the Annual Ground Rent Register were outstanding on 31st March 1943 some of which pertained to the years 1935 and onwards. The City Engineer explained that in 15 cases recoveries had since been effected; in four cases the amounts would be adjusted either from set-back compensations payable to the parties or from the deposits, and papers for five cases were sent to the Legal Assistant for filing suits against the parties.

E.B. 1521 — 22-4-1943

Weather-frame projection at Building Nos. 3-7, Sayed Mukhi Street was in existence for the last 80 years as admitted by the party, but the notice under Section 308 was served on the party only on 10th July 1942, and the same was brought on books with the Deputy Municipal Commissioner's sanction dated the 22nd April 1943. This indicates carelessness of the supervising staff who are expected to inspect and report the existence of such projections.

M.C.A.4164/V — 10-2-1944

A recovery of Rs. 5 was found effected by the Architectural Branch without issuing a receipt as they are not authorised to pass receipts. It is not correct to allow a Branch Office to collect money when it is not authorised to pass receipts.

The City Engineer's reply is awaited.

M.C.A.3776/V — 15-7-1943 & 4-7-1944 & M.C.A.3850/V — 28-3-1943

Several cases were noticed where country tiles and building materials of demolished buildings were retained for Municipal use and not sold. Credit to Revenue has to be given by debiting the cost of the materials to works on which they are used. No credits were found given to Revenue on this account except in one case and no demands were also noted in the Demand Register. The City Engineer explained that necessary adjustments had since been carried out. However, omission noticed in one case has been referred to the City Engineer for which reply is awaited.

M.C.A.4240/V — 27-3-1944

The examination of the quarterly returns for the period ending 31st March 1943 showed the following defects:—

Some demands omitted from the registers were found noted when recoveries therefor were noticed on the Chief Accountant's books while reconciling the figures. The noting of omitted demands was also mechanical as some of them which did not pertain to the deparmtent, but were erroneously posted in the Chief Accountant's books were also taken as demands on the Registers. The postings were also made without voucher numbers etc. The account of supervision charges was also unreconciled with the Chief Accountant's books, and was not checked by the internal audit staff of the Chief Accountant.

Reply to audit reference is still awaited.

Licence Department.

M.C.A.2744/V — 2-11-1942

As reported last year there were certain defects in the system of collections in the department to which due attention of the Commissioner was drawn. He has accordingly taken steps to divide the functions of receiving collections and passing receipts between the cashier and a clerk by appointing a new clerk from 3rd April 1944.

M.C.A.3634/V — 7-5-1943

Recovery of licence fee was not found made according to the quantity of materials shown stored in a demand notice of E/Br. Ward. The notice was issued on the basis of particulars shown in the Tabulation Register of the previous year, without actual verification of the quantity. It was explained by the department that the quantity shown in the demand notice was incorrect and inadvertantly put in by the Ward Inspector who was warned to be more careful in future.

In a demand notice of E/Br. Ward the licence fee was charged at Rs. 5 instead of Rs. 10 for keeping timber on an area of 1,000 square feet. This being pointed out a supplementary notice of demand was issued and the under-charge of Rs. 5 was recovered from the party on 5th November 1943.

M.C.A.3944/V
5-10-1943

Test check of the Encroachment Register of the Senior Lorry Supervisor showed constant changes in entries, many corrections in weights of articles and an entry for articles seized, struck off without explanation. Since no article, once seized, weighed and taken on the register, is returnable without recovering encroachment charges, except with the orders of the Commissioner, such alterations in the book of prime entries are irregular. The Superintendent of Licences explained that the defects were partly due to clerical errors and partly to some misunderstanding on the part of the Supervisors at the time of delivery of goods removed as encroachments. The Commissioner ordered that all the registers should be properly maintained and postings therein correctly and neatly taken.

M.C.A.4026/V
30-11-1943

As referred to in the last audit report the Commissioner issued instructions to keep the Squatters Fees Registers in the manner required by Audit and Summary Registers were introduced as from 1st April 1943, showing the position of demand, vacancies, recoveries and arrears for each ward. A test check of the Summary Registers for the month of June 1943 showed that (1) no uniformity was observed by different wards in working out demand and vacancies; (2) opening arrears of the month did not tally with the closing arrears of the previous month and (3) the registers were not checked either by the Head Clerk or by the staff of the Chief Accountant's Office. Reply is still awaited.

M.C.A.4156/V
9-2-1944

Market Department.

The department used to recover fees daily for permission to sell cocoanuts in the Municipal Markets at Rs. 2-8-0 per day as against the minimum sanctioned scale of Rs. 10 for a period not exceeding four days as mentioned in the last report. As a result of audit action the Commissioner has issued orders that serious notice will be taken of any departure from the fee prescribed under Standing Committee Resolution No. 754, dated the 5th October 1938.

M.C.A.2865/V
3-6-1942
& 24-6-1943

As reported last year 13 squatters of the reserved areas around Erskine Road Market hawking dry masala, who were allowed to occupy some of the vacant stalls inside the market on a monthly rent of Rs. 3 per stall had run in heavy arrears of rent and they also did not pay the licence fees. The Superintendent of Markets has since recovered the arrears from 10 dry masala sellers and the remaining three, who vacated the stall without paying the dues, were put on the black list.

M.C.A.2509/V
19-12-1942

As reported last year, out of six shops in the Fergusson Road Market quarterly rents have been fixed only for three and the remaining three are treated as squatters-spaces instead of as shops. The treatment of stalls where provision exists for keeping the articles at night, and locking them up as mere squatters-spaces for which rents are recoverable only for the days of actual occupation, lacks uniformity, and may give rise to malpractice. The Superintendent of Markets was therefore, asked to bring all shops in the different Municipal Markets on the Rent Demand Register. In reply he stated that there were no other shops that were treated as squatters spaces in any Municipal Market. It is however, observed that for three stalls in the Dadar Market, occupied by a seller of glass bangles, fees were recovered as squatters spaces for selling vegetables. The Superintendent of Markets has been asked why the occupant of the stalls was treated as squatter selling vegetables, what was the basis of recovery for these stalls, whether the squatter was being allowed to keep his materials in the Market after market hours and whether any fees were charged therefor etc. Reply is awaited.

M.C.A.1941/V
22-4-1941
&
M.C.A.4022/V
26-11-1943

The question of licence fees amounting to Rs. 1,64,108 of the Byculla Private Market having been kept in the deposit account was referred to in the previous Audit Reports. During the year under review there was no change in the position. The Superintendent of Markets explains that as the owner has been evading to carry out the Municipal requisitions no licence is still issued and the fees are allowed to remain in the Deposit Account. The question is pending since the year 1936-37 and needs to be expedited.

M.C.A.1132/V
27-5-1942
& 10-11-1943

The Registers such as Main Cash Book, Monthly and Annual Ground Rent Registers, Stallage Rent Demand Registers, Licence Fee Demand Register, etc., were examined in May 1943 and were found either untotalled or totalled in pencil, not attested by the Superintendent of Markets and not checked by the internal audit staff. Explanation of the Department was called for and recorded.

M.C.A.3037/V
21-8-1942
& 3-5-1943

Mutton stall No. 101 of the Erskine Road Market appeared to have been put to auction about four month's after it was vacated. Since the vacant stalls are required to be put to auction every week the Superintendent of Markets was requested to explain the delay. He explained that the stall was put to auction from time to time but no decent bid was received. When the Superintendent of Markets was requested to produce the weekly auction reports it was found that no record was kept. The Commisssioner issued instructions that Head Inspectors should keep full notes of auctions held in exercise books, which should be made available when called for audit inspection.

M.C.A.3697/V
12-6-1943

The procedure of showing the rent for stalls relating to notice period as demand in the register was brought into effect from the 3rd quarter of 1941-42, but in three cases such demands were not shown in the year 1942-43. The Test Audit Officer explained that as the accounts were closed no further action could be taken in the matter. The Commissioner issued instructions that in future the procedure laid down should be strictly followed and suggested that the question of showing the demand in these three cases may be dropped.

M.C.A.3699/V
12-6-1943
& 12-12-1943

Transfer of stall No. 42 in the Erskine Road Market was sanctioned on 24th March 1943 on an enhanced rent of Rs. 30 per quarter, and yet the relative demand at the enhanced rate and the demand for transfer fee were not shown in the Stallage Rent Demand Register of 1942-43. This being pointed out the necessary demands were shown in the register of 1942-43 and the outstanding Municipal dues amounting to Rs. 1-5-0 were recovered in 1943-44.

M.C.A.4104/V
10-1-1944

In the account books maintained at the Bandra Slaughter Houses it is noticed that (1) the amounts received under deposit for rent and Municipal taxes were not adjusted, (2) the demands for Municipal taxes recoverable from the contractors were not noted in the demand Register, and recoveries in respect thereof were not effected in due time; (3) only ground rent was recovered for sheds of two tea-shops in the compound of Bandra Slaughter Houses, while rent and Municipal taxes were being recovered in respect of sheds of Hay & Blood contractors; (4) though the contract

M.C.A.3762/V
12-7-1943

period had expired and the firewood shed was dismantled no sanction was obtained for fixing the monthly rent of Rs. 5-10-0 which was recovered from the blood contractors Messrs. Anderson Dawn & Co.; (5) the present blood contractor has constructed a shed bigger than that of the previous contractors, yet the demand for ground rent has remained constant at Rs. 11 per month, and no rent has been recovered for extra land occupied for a cement concreted bed used for drying boiled blood; (6) Receipts to be signed by the Supervisors were signed by fee clerks; (7) Recovery of chawl rent was not regular from all the tenants and (8) the Rent Demand Register was maintained by a person making recoveries. Reply is still awaited.

M.C.A.3706/V
23-6-1943

In six cases of shifting of outside meatshops from one site to another a nominal transfer fee of Re. 1 was charged in each case. No provision, however, exists in the Schedule of Fees sanctioning a nominal transfer fee for change of business place, which requires extra inspection etc., regarding sanitation and other matters on the part of the Municipality. On a reference made by audit the Superintendent of Markets stated that the sanction of the Standing Committee and the Corporation was being applied for the levy of fees in connection with transfers and in connection with the shifting of outside meatshops from one site to another.

M.C.A.3705 V
23-6-1943

In the account books of the Market Office it was noticed that (1) yearly demands for ground rent for electric installation from 1939-40 to 1942-43 were taken in the year 1942-43 when the recoveries were made; (2) transfer fee for stall No. 40 in the Vegetable Section of A. C. Market was not recovered although the transfer was sanctioned in May 1942; (3) Buffalo slaughter fees recoverable from the Kurla Municipality on or before the last day of the succeeding month as per agreement were paid after several months; (4) a fee for giving training in meat-section was taken under deposit instead of to revenue and (5) postings of recoveries made in the demand registers were according to the dates of remittances to the Chief Accountant and not as per the dates of receipts passed to the parties. Reply is still awaited.

M.C.A.2021/V
22-5-1942
& 6-1-1943

In the last Audit Report it was mentioned that 43 tenants of chawls and sheds in the compound of the Bandra Slaughter Houses were in arrears of rent for periods ranging from two to ten months. During the year, the outstandings as on 31st March 1944 were Rs. 429-15-0 as against the figure of Rs. 463-2-0 on 1st April 1943. The recoveries were found not effected regularly from all the tenants. It may be remarked that these arrears are running from the past several years.

M.C.A.3388/V
3-2-1943
& 8-11-1943

A reference to the last year's report will show that in order to establish some sort of check and control over the stalls for which there are no recoveries and which are shown in the registers as vacant, audit advised the Commissioner to introduce a procedure of submission of quarterly vacancy reports by the department after they are duly tallied with the monthly reports submitted by the Inspectors, with remarks of test checks carried out by the Superintendent of Markets and the Test Audit Officer. The reports for the year 1941-42 were received almost at the end of the year 1942-43. It was then noticed that they were mere copies of the gaps, meaning vacancies, shown in the Demand Register and not the summary of the monthly vacancy reports. Explanation of the Department was called for with regard to several discrepancies and irregularities noticed in the monthly and quarterly vacancy reports. Reply is still awaited. It may be observed that the submission of the statements and their scrutiny by the Test Audit Officer should be immediate after the close of each quarter if they are to serve the purpose for which they are prepared.

Estate Agent's Department.

The main items of receipts of this Department are (1) Rents from Municipal and ex-Trust Properties, (2) Sale of rights; (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums on permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

In this connection the following audit observations were made in the last year's audit report:—

The registers of demand, collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 were not found totalled, balanced and reconciled at the close of the year. No summary demand register was also maintained for item No. 6, *i.e.*, sale proceeds of Municipal lands and therefore, the figures in respect thereof were not taken in an abstract form showing the total demand, collection and arrears.

The attention of the Department being called to this by the Municipal Commissioner, the Estate Agent in his note, dated 28th July 1944, offered the following explanations for not having been able to carry out the audit requirements properly:—

"These registers were first introduced in 1940 and are being written up since then. The difficulties experienced in meeting the audit requirements are explained below:—

(1) Amongst the payments that have been received since 1940-41 there are many which are towards the satisfaction of the demands made in the previous year and are not shown on the register.

(2) The figures of demand noted in the sanctioned register maintained in the Lease Branch invariably differs from the actual amounts of demands as the demands mentioned in the Improvements Committee's Resolutions are approximate and liable to change.

These difficulties have the effect of showing the payments in some cases more than the demand and in others less.

The Deputy Municipal Commissioner (Improvements) who was made aware of these difficulties has instructed us (Estate Agent's Department) to open a register with the items of outstanding premium and enter therein new demands when they are actually created and settled. Efforts are being made to open registers on these lines."

It is hoped that the instructions of the Deputy Municipal Commissioner (Improvements) will be carried out early by the Department with scrupulous regard to accuracy so as to submit to audit the accounts of these transactions duly closed and balanced.

Repeated attention is being drawn from year to year to the fact that in the audit reports the figures of revenue collections made during the financial year were not being reconciled with those of the Chief Accountant's registers and submitted to audit upto the time of writing the audit reports. This year, too, no reconciliation statement for any quarter of the year has so far been received by audit, although it appears from the correspondence between the Chief Accountant and the Estate Agent that submission of reconciliation statement for the previous years which had run into arrears have been waived by the Municipal Commissioner and those for the quarters ending 30th June 1943 and 30th September 1943 and 31st December 1943 were submitted by the department to the Chief Accountant (*vide* the Estate Agent's note dated the 28th July 1944).

The Department has also offered the following explanation in their aforesaid note on the observations made by audit on this question in the last year's audit report.

"So far as this Department is concerned, the work of reconciling the accounts of this office, with those in the Chief Accountant's books has been brought upto date by preparing statements for all the quarters ending December 1943, which have been sent to the Chief Accountant for verification.

"According to the system in vogue, the adjustments of deposits and House Rent Allowance Bills have got to be posted in the Demand and Arrears Registers in the very year in which the adjustments are carried out in the Chief Accountant's books before the accounts of the year are closed. The work of closing the accounts, therefore, depends on the intimations from the Chief Accountant's Department of adjustments carried out in the books of that office. Such intimations are not being regularly received with the result that the accounts for the month of March remained to be closed for a long time. It may be stated that there are 250 items involving over a lakh of rupees in which intimations of adjustments are still awaited from the Chief Accountant's Office."

It may be observed here that time is the essential factor in audit and the delay caused in submission of accounts loses a great deal of the advantage that may accrue from the early scrutiny of the transactions and the Chief Accountant will also, therefore, see that the adjustments put up by the Departments are taken on the book expeditiously and intimated to the departments so as to enable the Estate Agent as well as his own office to submit reconciliation statements duly verified within a reasonable time after the close of each quarter.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by calling for information and explanations from the department for scrutiny by forwarding to it periodical lists of arrears of selected cases. During the year under report a number of such statements were drawn up and sent to the Department, but most of them together with some of the previous years still await final disposal. The Deputy Municipal Commissioner (Improvements) has been pressing the Departmental Officers and staff to take action by circulars, instructions and warnings on the defects shown by audit and as a result, improvement is noticed in the work of collection of the Department.

The cases of past arrears, specially of vacated tenancies, do not seem to receive as much attention as they ought to as will be seen from some of the audit objections mentioned hereafter. The amount of such past arrears of vacated tenancies for "Bad and Doubtful Debts" was Rs. 2,96,528 on 1st April 1943. To this was added a sum of Rs. 67,274 on account of fresh arrears accrued during the year 1943-44 bringing the total outstandings to Rs. 3,63,802. Against this the recovery effected by the Rent Collecting Staff, including adjustment of deposits etc., during the year 1943-44 was Rs. 53,294 only.

There is also an urgent necessity of clearing the irregularities which continue for the past several years in connection with the sale of acquired lands at Worli Koliwada. A note of the audit objection appears hereafter in this report.

Outstanding Audit Notes.

Although every query or observation made by Audit has to be promptly disposed of by the Officers concerned, as laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, out of the 371 notes issued during the five years ending 31-3-1944 replies received upto the date of writing of this report were only to 212.

This year as usual the lists of outstanding audit notes are not attached owing to scarcity of paper.

During the year there were several instances in which the papers were reported to be lost when called for by audit. Several items of amounts of arrears were also found written-off with the sanction of the Standing Committee, although audit references in connection therewith were pending disposal in the Department. It may be remarked here, this year too, that the items included in the write-off statement submitted to the Standing Committee for sanction do not appear to undergo proper scrutiny at the hands of the Departmental Officers before they are recommended for write-off and the remarks such as 'Parties not traceable' etc., are mechanically put thereagainst. In this connection the Deputy Municipal Commissioner (Improvements) has issued instructions to the staff to get these items verified properly and it is hoped that such irregularities will be scrupulously avoided in future.

Non-execution of agreements.

The following are some instances of temporary lettings allowed to run for years without executing agreements in respect thereof:—

M.C.A.2962/III — 24-8-1942

A plot of land admeasuring 210 square yards in case No. 109, Scheme 47, was given on ten year's lease under Improvements Committee Resolution No. 290, dated the 1st October 1934 to Messrs. Gulamhussein Sadruddin & Co., at Rs. 70 per month. Although more than 7 years had elapsed since then, no agreement was executed upto the writing of this note. The firm was in arrears of Rs. 770 as on 1st July 1942.

The Estate Agent replied that since the plot had been leased permanently, there was no necessity then of executing the agreement.

M.C.A.3079/III — 9-9-1942

Set-back land at No. 273, Abdul Rehman Street was leased under Standing Committee Resolution No. 6377, dated the 16th October 1929, to Mr. Lookmanji Thaverbhoy for construction of a temporary shed on a monthly rental of Rs. 40. Thereafter the party died, but the lease is not yet transferred to his legal heirs as per report of the Assistant Engineer (B South), dated the 17th March 1937. The Estate Agent has been requested to do the needful on 16th November 1942. The agreement, however, has not been executed so far.

M.C.A.3464/III — 27-2-1943

Under Improvements Committee Resolution No.368, dated the 5th November 1935, vacant land at Mahim was leased to the Trustees of Sunnat-al-Jamat who have not yet executed the agreement, although more than 9 years have elapsed. Reply to audit note is awaited.

M.C.A.3503/III — 12-3-1943

Under Improvements Committee Resolution No. 28, dated the 7th April 1936 permission for access from Municipal Tulsi Pipe Line was granted to Mr. Brijlal Ramjidas on payment of Re. 1 per month, but no agreement is yet executed.

The necessary tenancy agreement in respect of vacant land let in Potters' Camp at Dharavi from 1933 is
M.C.A.918/III not still executed,

18-3-1940

Reply to audit note is awaited.

Delay in submission of vacancy and occupancy reports.

44 cases of late submission of vacancy and occupancy reports of Municipal vacant lands were referred to the
M.C.A.2875/III Estate Agent. Further queries of last year regarding the following two instances of serious
12-6-1942 delay have not yet been replied to :—

(1) One Brijlal Ramjidas occupied a piece of vacant land at Mahim Section for which the occupancy report was submitted after more than 7 years, and

(2) One Santkumar occupied a piece of vacant land in scheme 56, for which the occupancy report was
M.C.A.3203/III submitted after 2 years.

Regarding occupation of vacant land at Pydhoni Road by one Mr. Usman Juma,
6-11-1942 reported last year, the Estate Agent replied, after over three years that the above land was conveyed to Rameshchandra C. Mehta on 26th January 1939, but the transfer remained to be recorded in the demand register all these years through inadvertance.

14 cases of late submission of vacancy reports were referred to the Department. Further reference
M.C.A.2355/III calling for papers regarding 2 items has not so far been replied to.

29-10-1941

Five cases of delay in vacancy and occupancy reports were referred to the Estate Agent, who replied that
M.C.A.3988/III as the question of sub-tenancies etc., were involved, the reports were delayed. He has, however, instructed the Rent Collecting Staff to submit the reports within 8 days of the occurrence
3-11-1943 of vacancies and occupancies.

18 cases of delay in the submission of occupancy reports were referred to the Estate Agent. Out of them
M.C.A.4228/III the following are the instances of abnormal delay :—

31-3-1944
&
M.C.A.4229/III

31-3-1944

(*a*) Mr. J. S. Mehta occupied a piece of Municipal vacant land at Parbhadevi, Dadar on 1st July 1942 at Rs. 35 per month and the occupancy report was submitted as late as 16th July 1943.

(*b*) Mr. J. A. Dhuru occupied 108 square yards of vacant land at Mahim on 1st April 1941 at Rs. 9 per square yard per year for which the occupancy report was submitted as late as 28th September 1943.

(*c*) Mr. Sultan Mahomedkhan Pathan was granted permission for access to his property at Lower Parel on 1st June 1939 at Re. 1 per month and the occupancy report thereof was submitted as late as 3rd January 1944.

(*d*) Messrs. Ratansi Dharmji and others occupied vacant land at Masjid Station Road on 1st July 1943 at Rs. 118-3-0 per month, occupancy report was submitted on 3rd December 1943.

(*e*) Mr. Damji Lalji vacated Municipal land at Masjid Road Station on 1st July 1943, the monthly rent of which was Rs. 118-3-0, whereas the vacancy report was submitted on 13th December 1943.

(*f*) Mr. Sheriar Sham Irani vacated Municipal land opposite Victoria Garden on 1st August 1943, the monthly rent of which was Rs. 333. The vacancy was reported on 23rd September 1943.

The reply to audit query is still awaited from the Department.

Breach of provisions of the Act.

As reported last year, proper information regarding the arrears due from Messrs. Laxmi Properties, Ltd.,
M.C.A.532/III for the right of access over Tulsi Pipe Line was not available in the Estate Agent's books and
29-5-1941 Corporation's sanction for grant of lease, as pointed out by the Legal Assistant was not taken.

The Estate Agent replies that arrears for the period from 1st June 1922 to 31st January 1943 were recovered by the Hydraulic Engineer and Laxmi Properties were asked to pay arrears of Rs. 238 for the period from 1st February 1923 to 30th November 1942. The sum of Rs. 61 paid by the Architects of Laxmi Properties Ltd., without giving their client's name was wrongly credited to the account of Messrs. Fazalbhoy Mills Ltd., the former tenant who went into liquidation. The Municipal Commissioner's sanction was, therefore, obtained to reduce the arrears due from the above company. The Municipal Commissioner also opined that the sanction of the Commissioner and not of the Corporation, is sufficient for grant of lease, as the tenancy was a monthly one.

Breach of Municipal Service Regulations.

One Govind Kuka, a Municipal sweeper, was given a rent farming contract of 20 rooms in the Mahar
M.C.A.3591/III Chawls at Rs. 7-3-0 per month per room, less a rebate of 10 per cent. Although Govind
19-4-1943 Kuka recovered rents in advance practically from all the tenants, he did not pay the Municipal dues and the arrears accumulated to Rs. 2,752 as on December 1942, which are being recovered in monthly instalments of Rs. 25.

Granting of a rent farming contract to a Municipal employee is in contravention of rule 14 of the Municipal Servants' Conduct and Discipline Rules. Moreover, the non-recovery of the arrears till they accumulated to a sum which is apparently beyond the capacity of a Municipal sweeper to pay is a glaring instance of inaction on the part of the staff which very often results in loss of Municipal revenue.

In the present case, too, it is doubtful whether the recovery at the rate of Rs. 25 per month is at all sufficient to cover up the arrears.

Arrears Written-off.

The following cases of arrears referred to the Department still remain unreplied :—

Items of arrears of rents written off although audit references were pending thereagainst with the
M.C.A 3320/III Department.

6-1-1943
&
M.C.A.2158/III

4-11-1942
25-11-1942
26-11-1942

Suggestions made to the Estate Agent to prevent items of arrears going to the Standing Committee for write-off without proper investigation.

M.C.A.3831/III & 14-8-1943
M.C.A.3384/III 11-3-1943

Arrears of Rs. 90-2-0 due from Messrs. Daddy Billimoria & Co., written off with the sanction of the Standing Committee on the ground that the firm was untraceable, although the firm appeared to be on the approved list of the City Engineer's Department and transacting business at 55, Apollo Street, Fort, Bombay.

M.C.A.1525 III 27-11-1940

As reported last year, an amount of Rs. 21-12-0 due from a firm which was paying Rs. 225 per month was recovered by the rent collector, after it was written-off by the Standing Committee on the report from the rent collector and the divisional officer that the party is not traceable. The Estate Agent has also admitted that remarks "party untraceable" and "papers missing" have become more or less mechanical. In the circumstances a query has been made to the Municipal Commissioner enquiring as to what steps are proposed to be taken by the Department to prevent items of arrears going to the Standing Committee for write-off without proper investigation.

M.C.A.3384 III 11-3-1943

Arrears of Rs. 95 and Rs. 15 due from Messrs. Jehangir B. Panjigara & Dorabsha J. Siganporia for the periods ending September 1937 and December 1937 for the occupation of rooms 4-6, 4th floor, case 61, Cawasji Patel Street and room 9, 6th floor, case 22-24, Gogha Street respectively, were written off on the ground that the parties were not traceable.

M.C.A.3598/III 22-4-1943

Audit query pointing out the addresses of the parties in the letting papers still remains unreplied.

Rs. 46-8-0 at Rs. 20 per month for the period ending 10th December 1937 due from one Salimulla Hidayatulla for occupation of shop No. 1, ground floor, block 1, New Mominpura Chawls was written off on the ground that the tenant was not traceable. It, however, appears that a man of similar name is at present occupying room 99, 2nd floor, in the same block of new Mominpura Chawls.

M.C.A.3703/III 23-6-1943

The Estate Agent's reply to audit query in the matter is awaited.

Rs. 85-10-0 as arrears of taxes and Rs. 21-10-0 of court costs due from Mr. Pyarelal Permanand Verman for the occupation of 100 square yards of vacant land in Scheme 60 were written off as irrecoverable with the remark that the party was not traceable. Audit pointed out that the party held several occupations, in two of which in scheme 57, he was allowed to run into heavy arrears.

M.C.A.3946/III 10-7-1943

The Estate Agent replied that the Rent Collector working in Scheme 66 was not aware of the occupation of the party in Scheme 57 and hence the arrears were not recovered. Instructions have since been given to the rent collecting staff to make proper inquiries before recommending the items of arrears for write off. The Deputy Municipal Commissioner (Improvements) also suggested that the names of all the new tenants should be submitted to the Estate Agent's Accountant, who should certify that there are no arrears due from any of them.

Audit made a further reference that the amounts of written off arrears should be recovered early.

No advice is still received.

While test checking the statement of arrears of write-off for the quarter ending September 1937, the Department could not furnish audit with the relevant papers in connection with the amounts written off. The Estate Agent explained that the arrears pertained to a very old period and therefore the papers were not available.

M.C.A.3572/III 13-4-1943

Arrears of rent—Recoveries at the instance of audit.

Serial No.	Audit Note No. and Date.	Particulars of tenancy.	Name of the tenant.	Rent per month.	Amount recovered	Receipt No. and date.	Remarks
				Rs. a.			
1	M.C.A. 3302/III 28-1-1942.	Scheme 52, 1st floor	Raghunath Hanumanta.	7 0	Re. 1.	253/68 of 13-3-1943.	
2	M.C.A. 2316/III 8-10-1941.	Hornby Road Vacant land 155 square yards for stacking building materials.	Messrs. R. M. Engineer & Co.	28 8	Rs. 50-4-0 (for the period ending 19-7-1937).	4392 of 29-2-44	
3	M.C.A. 3726/III 28-6-1943.	Sale of right of cultivation of lot No. 11, Scheme 56	Rawji Raghoo.	...	Rs. 5. (Demand of Rs. 25 shown in D.R. instead of Rs. 30.)	4070 of 29-7-43	
4	M.C.A. 2215/III 3-1-1942.	11 square yards of land in case 53, Scheme 6.	Mahomed Yusuf Mahomed Shaffi.	1 0	Rs. 6. (From November 1941 to April 1942).		Being a gap of 6 months.
5	M.C.A. 1340/III 7-9-1941.	Hornby Ballard Scheme, Fort Section, 60 square yards of vacant land.	Messrs. Surveyor & Co.,	...	Rs. 24-7-0. (For the period ending 21-5-1938).	Adjusted under Vr. No. 6958 of 22-11-1940.	
6	M.C.A. 1561/III 10-12-1940.	Scheme 56, Plot 154-C, 725 yards of vacant land.	Kasamkhan Rajabkhan.	...	Rs. 64-6-0. (For the period ending 30-9-1936).	281/4546 of 4-2-1942.	
7	M.C.A. 3647/III 11-5-1943	Chinch bunder Chawls, Godowns, Blocks 1 and 3.	Messrs. Tandur Shahabad & Co.,	46 0	Rs. 184. (For the period ending 1939-40 and 1941)	Adjusted under Vr. No. 55537 of 29-1-1944.	
8	R.A. 72 16-1-1939.	Agripada 12 Blocks	P. F. Fernandes.	4 15	Rs. 32-5-0. (Pertaining to period 1934 to 1936).		
9	M.C.A. 3592/III 19-4-1943.	Victoria Road Case No. M. 276, Rooms 8-15 and 19-20.	B. G. Acharya.	...	Rs. 68. (Pertaining to 1938).	*Vide* No. 43920 of 20-4-1943.	
10	M.C.A. 637/III 12-10-1939.	Vacant land at the junction of Worli Seaface and Worli Road.	Messrs. Modern Advertising Bureau.	...	Rs. 250. (For the period ending August 1938).	Recovered in monthly instalments.	
11	M.C.A. 2983/III 3-8-1942.	Sale of rights.	Haji H. Narialwala.	...	Rs. 1072-15-0.	Recovery by way of adjustment.	
					Total Rs. 1,758-5-0		

Arrears of Rent (Permanent).

112 cases of heavy arrears of ground rent from lessees for 4 quarters and over were reported to the Estate Agent. Reply is still not received.

M.C.A.2939/III
11-7-1942
&
M.C.A.2342/III
16-10-1941

Arrears of rent (Temporary).

Replies to the following cases of heavy arrears reported last year are still not received :—

M.C.A.1261/III
25-7-1940 (1) Arrears of Rs. 528 from Mr. R. S. Nikalje.

M.C.A.1280/III
29-7-1940 (2) Arrears of Rs. 80-8-0 at Rs. 3 per month from Mr. Khara Baba.

M.C.A.1332/III
23-8-1940 (3) Arrears of Rs. 918-5-0 and Rs. 12-8-0 from Mr. N. C. Patel and Mrs. Patel respectively. (Case compromised, Standing Committee Resolution No. 281 of 2nd June 1942).

M.C.A.1500/III
13-11-1940 (4) 18 cases of arrears due from traceable tenants of 1937-38.

M.C.A.1660/III
7-2-1941 (5) Arrears of Rs. 50 and Rs. 75 from one Bahadur Agnoo.

M.C.A.1239/III
17-7-1940
&
M.C.A.1659/III
7-2-1941 (6) Arrears of Rs. 1,642-9-0 from Mr. B. R. Bhonsle for occupation of rooms in case 899/2, Scheme 57, and a piece of land in case 403 in the same scheme.

M.C.A.1542/III
3-12-1940 One Bai Aminabai Shaikh Karim was in arrears of Rs. 294 at Rs. 6 per month for occupation of a piece of vacant land in Scheme 32. The Estate Agent replied that the tenancy was only an encroachment, which was removed long since, but the demand was inadvertantly allowed to remain in the Arrears Register, though it ought to have been withdrawn at that time.

M.C.A.1561/III
10-12-1940 Three cases of outstanding arrears of vacated tenancies aggregating to Rs. 1,624-8-0 as under were referred to the Estate Agent on 10th December 1940 :—

(1) Plot 31, Scheme 41, Kasam Yakub, Arrears Rs. 808-3-0 at Rs. 36 per month for the period ending 26th January 1937.

(2) Plot 154-C, Scheme 56, Kasamkhan Rajabkhan, Arrears of rent Rs. 300 at Rs. 25 per month and Municipal taxes Rs. 159-5-0 at Rs. 6-7-0 per month and Court cost Rs. 137-0-0 for the period ending 30th September 1936.

(3) Bellasis Road Estate, N. H. Kamat, Arrears Rs. 220 at Rs. 55 per month ending December 1936.

The Estate Agent replied in September 1943 (*i.e.*, after about 3 years) that for item No. (1) the party had no assets and therefore no legal action was taken and the amount was written off under Standing Committee Resolution No. 707, dated the 12th September 1941, for item No. (2) the rent accumulated during the period of Hindu-Muslim Riot and the Mill-strike and for item No. (3) no papers were available.

M.C.A.1246/III
17-7-1940 Mr. N. B. Godbole vacated a bungalow in Scheme 6, leaving arrears of Rs. 120 at Rs. 40 per month for the period ending June 1938. It appears from the papers that no action was taken for a period of 1½ years, although Standing Committee's orders were obtained to file a suit on 23rd November 1938.

Disposal of the following audit references by the Department is still awaited :—

M.C.A.1440/III
9-10-1940
&
M.C.A.2408/III
14-11-1941 (1) Several cases of arrears over 6 and 9 months.

M.C.A.2183/III
2-8-1941 (2) Arrears of Rs. 257-2-3 due from Messrs. J. A. Irani and Abdul Aziz.

M.C.A.2563/III
22-1-1942 (3) Heavy arrears due from 39 tenants.

M.C.A.2817/III
11-5-1942 (4) Arrears of Rs. 106-5-0 at Rs. 5-13-0 per month due from F. Pereria for occupation of room 33, 1st floor, block No. 6, Suparibaug Chawls.

M.C.A.2961/III
24-7-1942 (5) 51 items of arrears of vacated tenancies for 1941-42.

M.C.A.2985/III
3-8-1942 (6) The balance of Rs. 66-2-6 for the occupation of a vacant piece of land at C. P. Tank Road.

M.C.A.3006/III
10-8-1942 (7) Heavy outstandings in respect of hoarding advertisements.

M.C.A.2731/III
18-9-1942
&
M.C.A.3110/III
22-9-1942 (8) Cases of arrears covering a period of six months and over.

M.C.A.3103/III
25-11-1942 (9) Outstandings written-off under S.C.R. No. 792, dated the 2nd September 1942, due from Mr. S. N. Shanbag, although a decree was obtained against him in respect thereof.

M.C.A.[illegible] III
3-12-1942
(10) Arrears of Rs. 3,367 as on 1st December 1942 for the occupation of Plot No. 2942 at Arthur Road Bridge at Rs. 132-12-0 per month.

M.C.A.[illegible] III
18-12-1942
(11) Arrears of Rs. 6,247-10-0 due from one party in respect of different occupations.

M.C.A.[illegible] III
8-12-1942
(12) Arrears in respect of departmental occupations in Block 1, Palton Road Chawls.

M.C.A.[illegible] III
(13) Heavy arrears of vacated and running tenancies of a party.

M.C.A.4279 III
7-4-1941
(14) Outstanding riot taxes of 1936 due from existing tenants.

Seven items of heavy arrears of rent were reported last year. The Estate Agent replied that suit
M.C.A.[illegible] III papers in two of the cases were not traceable. In respect of other two items of arrears, no
10-1941 departmental action was found taken for a long time and how they are reported to be not traceable.

In the case of arrears of Rs. 500 due from one Malik Odius Malik Hamidulla at Rs. 40 per month recovery of arrears is being made by instalments. In the remaining cases papers have been called for. The Estate Agent's further report is awaited.

Arrears of Rs. 120 and Rs. 95-3-0 from Mr. Sultan Bandeally and Messrs. Aziz & Co., respectively were
M.C.A.2415 III referred to the Estate Agent. The reply showed that in the former case only two instalments
1941 of Rs. 2 each were recovered in June and September 1943 and in the latter case the amount was irrecoverable.

Twenty-four items of heavy arrears in respect of sale of rights were referred to the Department. The
M.C.A.2769 III reply showed that 3 cases of arrears were adjusted against deposits and for the remaining cases
1-4-1942 the deposits were not sufficient to cover the arrears and that it was not possible for the department to state how the arrears were allowed to remain as they pertained to a very old period.

Cases of arrears of rent for six weeks and over from tenants of Labour Camp, Scheme 56 were reported
M.C.A.3054 III to the Estate Agent. The reply showed that recoveries made from Municipal employees
1-1-1943 through paysheets were not intimated by the Chief Accountant in time and that in some cases suits were filed for the recovery, while in some cases the arrears were either cleared off or reduced.

Rs. 68 were outstanding against Mr. B. G. Acharya for the period ending January 1938, for occupation
M.C.A.3542 III of Rooms Nos. 8-15 and 19-20, ground floor, case No. M. 276, Victoria Road. Although
19-4-1943 Mr. B. G. Acharya is still occupying Municipal arches 18-23 at Mahalaxmi Road over-bridge it is not understood why the arrears are not recovered from him. The Estate Agent's reply is still not received.

A statement containing 89 items of arrears of rent for 6 months and over as on 1st August 1943 were
M.C.A.3902 III referred to the Department for early recovery and advice. The Estate Agent's reply is still awaited.
21-9-1943

One Sonadeo Dharmaji vacated room No. 71, 3rd floor, case No. 5, Bellasis Road Chawls on 1st April
M.C.A.3869 III 1943 leaving arrears of Rs. 57 at Rs. 9-8-0 per month. The Estate Agent being requested to
15-9-1943 state the steps taken to recover the arrears in view of the fact that the party's work address was known, reported that the amount was irrecoverable as the party left the job and joined Military Department, and his whereabouts were not known.

Arrears of Rs. 42 at Rs. 3 per month due from one Arkha Ratna, a mill employee, are now reported by the
M.C.A.3950 III Estate Agent to have been completely cleared.
15-10-1943

Report regarding the recovery of arrears of Rs. 55 at Rs. 11 per month due from one Mahomed Ibrahim is awaited.

In four cases of heavy arrears of rents sent to him for explanation, the Estate Agent replied that recoveries
M.C.A.3869 III are being effected.
2-9-1943

The Estate Agent has been further asked to report regarding the recovery of increased arrears due from Chhaganlal Kara, M/776 A Tulsi Pipe Road. His reply is awaited.

One Tribhuvan Kutubuddin Rajguru vacated the premises on 28th August 1943 leaving arrrears of
M.C.A.4177 III Rs. 75-9-0. The recovery of arrears was not made although he was a Municipal employee.
7-2-1944

The Estate Agent's reply is awaited.

The Estate Agent was requested to state what steps he had taken to recover the arrears of Rs. 124-3-0
M.C.A.4178 III from one Abdul Maquiel Abdul Kadar who vacated the premises in Scheme 3 on 10th July
17-2-1944 1943. Reply is awaited.

The Estate Agent was requested to take early steps to recover the heavy outstandings in 22 cases observed
M.C.A.4212, III in a test check of the Current Bad and Doubtful Debts Register.
3-3-1944

Reply is awaited.

13 items of heavy arrears of rent of vacated tenements were referred to the Estate Agent. Reply is
M.C.A.4232, III awaited.
23-3-1943

M.C.A.3790 III
23-7-1943
Two cases of heavy arrears of rent were referred to the Estate Agent.

Reply is awaited.

Arrears of Court Costs.

Replies to the following references are still not received :—

M.C.A.1387 III
21-9-1940
M.C.A.680 III
30-10-1939
M.C.A.772/III
5-1-1940
M.C.A.1556/III
6-12-1940
M.C.A.2653 III
24-4-1942
(1) Items of outstanding Court costs which were sanctioned to be written-off, were referred to the Estate Agent for recovery as they appeared to be due from the existing tenants who had shortly vacated the tenancies.

M.C.A.2404/III
13-11-1941
(2) Arrears of Court costs due from existing tenants.

M.C.A.893 III
19-6-1942
(3) Cases of un-recovered amounts of decrees.

M.C.A.3101 III
16-9-1942
(4) Arrears of rent and Court costs due from Mr. Rajabhusen Vallimahomed.

M.C.A.3263/III
10-12-1942
(5) Arrears of Court costs due from ex-Municipal servants.

Registers of Decrees and Claim Suits.

M.C.A. 3984/III
25-10-1943
The following irregularities were referred to the Estate Agent to which reply is awaited :—

(1) Decrees as and when obtained from the Court were not entered serially in the register and some of them were not entered at all.

(2) Items of arrears of claims and costs were written off in 3 cases, although the decrees in respect thereof remained valid subsequently for over 2 years.

(3) The decrees which had lapsed and for which timely actions did not appear to have been taken.

(4) Running decrees did not appear to have been presented in Court regularly to watch recoveries and no reports were made to the Estate Agent in respect thereof.

(5) Amounts of costs or parts thereof were not recovered in several cases.

Sale of acquired lands at Worli Koliwada.

The question regarding arrears of sale price of properties at Worli Koliwada and the reigsters maintained

M.C.A.938/III
26-3-1940
& 3-5-1943
in respect thereof was first raised in the year 1939-40 but it is not yet disposed of finally. Early attention is necessary.

It was reported last year that the registers show a number of tenancy and other deposits received during

M.C.A.2556/III
20-1-1942
&
M.C.A2707/III
27-3-1942
past years remained unadjusted to revenue and the corresponding arrears of rents are being carried forward from year to year in respect of the tenancies vacated long ago. Compliance to the audit suggestion that these deposits should be scrutinized in the first instance and then adjusted either against the rent account or credited to unclaimed dues and deposits under Miscellaneous Receipts still remains pending.

Miscellaneous.

Replies to the following references are still not received :—

M.C.A.3443/III
20-2-1943
(1) The demand and recovery for the rent in respect of access over the service passage of the estate of the Trustees of Bai Nemitullabai Trust are not recorded in the demand register.

M.C.A.3493/III
9-3-1943
(2) Recovery of difference in rent for the occupation of increased area.

M.C.A.3493/III
9-3-1943
(3) Arrears of rent for 28 months at Re. 1 per month in respect of access over the Tulsi Pipe Line.

M.C.A.3536/III
23-3-1943
(4) Irregularities in maintaining interest registers of *ex*-Trust properties (Permanent Revenue).

M.C.A.2226/III
21-8-1941
(5) Irregularities in Demand Registers for Court costs.

M.C.A.2249/III
30-8-1941
Reference in respect of arrears in connection with a sale of right is still outstanding.

M.C.A.3512/III
16-3-1943
30 years' lease was granted to the B. E. S. & T. Co. Ltd., at a monthly rent of Rs. 3 with effect from 7th December 1941. No demand and recovery in respect thereof were found recorded in the Demand register.

The question being referred to the Estate Agent, he explained that the Departments responsible for recovery of rent were the City Engineer's Department and the Health Department. However, on subsequent correspondence with those Departments, the Estate Agent recovered the arrears and took the demand on his registers.

According to the terms agreed upon as between the Corporation and the Royal Western India Turf Club
M.C.A.3584 III Ltd., extra land admeasuring 55,666 square yards is being put to cultivation and for the
14-4-1943 change of user, half the income derived therefrom is payable to the Corporation. No demand for this was found created in the Estate Agent's registers. As a result of audit reference a note has since been taken in the leasehold rent register.

The receipts were also found credited to different heads of accounts in different years. The Estate Agent now reports that the receipts were creditable to Miscellaneous Revenue and it will be done so in future.

Eight months' gaps were noticed in the collection of rents for a vacant land occupation in Scheme 60.
M.C.A.3589/III The Department, when asked, replied that as the Rent Collector could not give satisfactory
15-4-1943 explanation for leaving gaps, he had been warned by Deputy Municipal Commissioner (Improvements) and a note was made in his service register. The arrears of the intervening period have since been recovered.

A sum of Rs. 7-3-0 recovered by a Chawl Superintendent on 15th November 1942 was paid by him into
M.C.A.3593/III the Municipal Treasury on 16th March 1944. The Estate Agent explained that it was due to
19-4-1943 the carelessness on the part of the Chawl Superintendent and issued instructions to the Rent Registerng Clerks who first receive the remittance reports to check all the counterfoils of the receipts with the remittance reports irrespective of the tenancies to which they pertain.

The building in case No. 397-98, Scheme 52, Worli is composed of ground floor, one upper floor and an
M.C.A.3613 III attic. The staircase leading to the first floor and the attic falls within the ground floor pre-
30-4-1943 mises and as such, the whole building can be let to one tenant only. However, only the ground floor was shown as let and the upper floor and the attic as vacant. In the circumstances, it would have been possible for the ground floor tenant to use the upper floor and the attic without paying any rent for all these years.

When the premises fell vacant on 31st December 1942, only the ground floor was again rented out to one Ardeshir F. Irani from 1st January 1943 at Rs. 30 per month as a tea-shop. Subsequently the first floor (without attic) was let out to him from 1st February 1943 at a rent of Rs. 10 per month as against the standard rent of Rs. 40 per month on condition that the repairs to the building should be carried out by the tenant to the satisfaction of the Assistant Engineer (Architect).

However, the papers do not contain any certificate from the Assistant Engineer (Architect) showing that the repairs were carried out by the tenant to the satisfaction of the Municipality. To an audit query, the Estate Agent replied that ordinary repairs to the premises to make them suitable for the tenant to stay in do not require to be certified by the Assistant Engineer (Architect). From the above fact it appears that the first floor of the building which was left vacant in the past has now been let at a nominal rent of Rs. 10 per month and that the condition attached to this letting at nominal rent, namely of carrying out repairs to the satisfaction of the Municipality, has not been fulfilled.

Three cases of occupation of rooms for 2 years, 7 years, and 6 months by persons other than those in whose
M.C.A.3385/III names the tenancies were running in the demand registers were noticed in the Imamwada
22-4-1943 Chawls. It was also noticed that the forms of tenancy agreements showing complete information as to the address, occupation, etc., of the incoming tenants were not being properly filled up so as to be useful in the event of the tenants absconding from the premises, leaving the rent in arrears.

The Estate Agent's reply is awaited.

The Estate Agent has been advised to recover additional amounts of deposits in proportion of increase in
M.C.A.4214/III rents effected for shops and godowns at Mandvi Koliwada Chawls from 1st November 1943.
4-3-1944 Reply is awaited.

No action appeared to have been taken to recover the balance of the decretal amount in High Court Suit
M.C.A.4034/III No. 569 of 1939. The Estate Agent was requested to make the recovery and advise.
22-4-1944

It was also suggested to the Estate Agent that the responsibility for taking timely action for the execution of the Court decrees should be fixed on some officer of his Department and also that a register showing the demands in respect of decretal amounts and costs and the recoveries effected thereagainst should be maintained.

Reply is awaited.

Missing Receipt Books.

Four receipt books were reported as lost by three rent collectors during the course of a month and a half.
M.C.A.3753/III On enquiry it appears that no such incident has occurred during the last four or five years.
14-7-1943 Casual loss of a receipt book by a member of the rent collection staff can be understood, but three rent collectors reporting simultaneously of the loss of four receipt books is rather surprising.

Missing Papers.

I may again like to bring to the notice of all concerned, this year too, that a number of audit queries in
M.C.A.1548 III connection with the outstanding arrears, write-offs, etc., came back with short replies after
5-12-1940 considerably long time that the papers were missing. Some of the instances are noted below.

Papers requisitioned from the Department under the following notes have not been received so far inspite of several reminders:—

Serial No.	Reference number and date.	Subject-matter.	Name of the party.	Remarks.
1	M.C.A. 2016/III of 23-5-1941	... Heavy arrears	... M. Kalidas Gandhi.	
2	M.C.A. 2024/III of 26-5-1941	... Current Claim Suit Register.	As given in the statement.	
3	M.C.A. 2148/III of 24-7-1941	... Written-off arrears of rent	... Do.	
4	M.C.A. 2280/III of 24-9-1941	... Written-off arrears of rent ending 31-3-1937.	Do.	
5	M.C.A. 2850/III of 28-5-1942	... Court costs Register No. 72	... Do.	
6	M.C.A. 3382 III of 1-2-1943	... Suspension of acting Chawl Superintendent.	Mr. Jamal Baboo.	
7	E.A.S.R. 17231 of 14-5-1943	... Rights of cultivation for 1943-44 (Municipal Properties)	Papers regarding items Nos. 2 and 7.	
8	E.A.'s Misc. 999 of 24-6-1943	... Written-off arrears of rent	... As given in the statement.	
9	M.C.A. 3709/III of 23-6-1943 and of 27-3-1944.	Written-off arrears of rent	... Do.	
10	M.C.A. 3886/III of 14-9-1943	.. Heavy arrears of vacated tenants	Ahmad Mahomed.	
11	M.C.A. 3887/III of 14-9-1943	... Checking of casual occupancy reports for Scheme 57, Case 502/E. Letting papers.	As given in the statement.	
12	M.C.A. 3895 III of 17-9-1943	... Ejectment suit cases.	Do.	

It may be remarked that unless the papers are made available, it is not possible for Audit or even for the Head of the Department to fix the responsibility on the respective members of the staff concerned as to their inaction or failure on their part to recover the dues in time.

M.C.A.1120/III
14-5-1940

Arrears of Rs. 471 at a monthly rent of Rs. 100 for the period from 1st September 1938 to 23rd January 1939 were due from one Jiwanlal Khodidas for room No. 1, ground floor, Parsi Bazar Street. Complete papers were asked for on 14th May 1940. The Department, however, replied on 1st February 1944 that complete letting and suit papers were missing. Nothing further seems to have been done to recover the amount beyond sending a demand notice on 27th February 1939.

Papers in connection with the following audit notes are reported to be missing:—

(1) M.C.A. 3831/III of 14-8-1943.
(2) M.C.A. 2158/III of 26-11-1942. (Items 1, 2, 3, 4, 6, 7, 9 and 10).
(3) M.C.A. 2709/III of 31-3-1942. (Item 14).
(4) M.C.A. 2189/III of 12-8-1941 (Item 2).
(5) M.C.A. 2330/III of 10-10-1941.

DIVISION 'B'.

Statements of receipts and payments and Balances of Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a summary form.

(*Note* 1.—Unless specially indicated, the figures throughout this report are in lakhs of rupees).
(*Note* 2.—In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included).

I.—Municipal Accounts (Proper).

Revenue Account.

1. *Explanatory.*—The original Budget Estimate for the year anticipated a revenue deficit of Rs. 8.63. The actuals, however, resulted in a surplus of Rs. 13.03. The improvement of Rs. 21.66 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 24.31 and more expenditure of Rs. 2.65.

2. Summary of Revenue transactions for the year.

Particulars.		Actuals 1942-43.	Budget 1943-44.	Revised 1943-44.	Actuals. 1943-44.
		Rs.	Rs.	Rs.	Rs.
Revenue Receipts	...	389.02	379.68	387.46	403.99
Expenditure	...	364.65	388.31	400.18	390.96
Surplus (+)	...	24.37			13.03
Deficit (—)	...		8.63	12.72	

Lapsed Grants.—The amounts of lapsed grants estimated to be renewed during the year 1944-45 aggregats Rs. 10.77 against Rs. 16.73 in 1943-44 showing a decrease of Rs. 5.96. The details are given in appendix 4 of the Chief Accountant's report.

3. Summary of receipts according to service heads as compared with Budget and Actuals of previous year.

Head.	Budget 1943-44.	Actuals 1943-44.	Increase or decrease over Budget 1943-44.	Actuals 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, Indirect Taxation and Misc. Revenue ...	159.28	176.43	+17.15	169.19	+7.24
(2) Water Works ...	97.62	101.29	+3.67	92.39	+8.90
(3) Education-Primary ...	9.50	9.43	—.07	9.52	—.09
(4) Education-Secondary ...	...	.01	+.01	...	+0.1
(5) Public Health Department ...	.89	1.20	+.31	1.00	+.20
(6) Medical Relief and Education ...	1.59	1.86	+.27	1.66	+.20
(7) Street Cleansing etc. ...	39.53	43.20	+3.67	40.16	+3.04
(8) Roads, Drains and Sewers ...	16.66	19.10	+2.44	21.25	—2.15
(9) Mechanical ...	.60	.57	—.03	1.15	—.58
(10) Buildings. ...	14.73	15.26	+.53	14.55	+.71
(11) Fire Brigade ...	6.59	7.26	+.67	6.95	+.31
(12) Licensing ...	4.86	5.94	+1.08	5.47	+.47
(13) Gardens and Open spaces ...	.51	.52	+.01	.51	+.01
(14) Markets and Slaughter Houses ...	14.19	17.76	+3.57	15.20	+2.56
(15) Contribution from Capital Funds ...	.74	.66	—.08	.71	—.05
(16) Extraordinary Receipts ...	10.75	1.29	—9.46	7.58	—6.29
(17) Rebate from Government on account of Urban Immoveable Property Tax ...	1.64	1.77	+.13	1.73	+.04
(18) Excess accumulation— in the Plant & Machinery Depreciation Fund....	...	.44	+.44	...	+.44
Total Rs. ...	379.68	403.99	+24.31	389.02	+14.97

The main items contributing to the net increase of Rs. 24.31 over the Budget are given in para 6 of the Chief Accountant's Report.

4. *Statements from various Municipal Departments of demand, collection and arrears of Municipal dues as on 31-3-1944 have not been received duly reconciled with the figures of the Chief Accountant's Department.*

5. *Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year.*

Head.	Final Budget Grants. 1943-44.	Actuals 1943-44.	Increase or decrease over final Budget grants, 1943-44	Actuals, 1942-43.	Increase or decrease in Actuals for 1943-44 as compared with those for 1942-43
	Rs.	Rs.	Rs.	Rs.	Rs.
I. General Supervision	13.67	12.36	— 1.31	11.54	+ .82
II. Water Works	73.55	70.43	— 3.12	68.12	+ 2.31
III. Education—Primary	51.01	48.76	— 2.25	44.12	+ 4.64
IV. Education—Secondary	.63	.46	— .17	.15	+ .31
V. Public Health Department	11.63	10.91	— .72	10.10	+ .81
VI. Medical Relief and Education	31.03	28.13	— 2.90	25.19	+ 2.94
VII. Street Cleansing and Conservancy ...	35.53	32.19	— 3.34	29.73	+ 2.46
VIII. Roads, Drains and Sewers	64.73	60.46	— 4.27	62.34	— 1.88
IX. Mechanical	17.61	16.58	— 1.03	14.96	+ 1.62
X. Buildings	23.12	22.66	— .46	22.53	+ .13
XI. Fire Brigade	5.74	5.01	— .73	4.84	+ .17
XII. Licensing	2.04	1.97	— .07	1.87	+ .10
XIII. Gardens and Open Spaces	4.50	4.11	— .39	3.84	+ .27
XIV. Markets	8.19	7.56	— .63	5.93	+ 1.63
XV. Contribution towards Improvement Schemes ...	26.27	26.27	...	24.69	+ 1.58
XVI. Provident Fund, etc.	11.76	10.93	— .83	10.61	+ .32
XVII. Urban Immoveable Property Tax	.57	.50	— .07	.48	+ .02
XVIII. Grain Compensation	30.20	24.45	— 5.75	9.73	+ 14.72
XIX. Grants in-aid to Public Institutions. ...	3.70	3.39	— .31	2.13	+ 1.26
XX. Measures for Civil Defence. ...	10.31	3.82	— 6.49	11.56	— 7.74
XXI. Extraordinary Measures—Removal of debris, etc. from the fallen building at Jamshetji Tata Road.	.06	.01	— .05	.19	— .18
Total ...	425.85	390.96	— 34.89	364.65	+ 26.31

The figure of actuals for 1943-44 includes debt charges amounting to Rs. 124.58 of which Rs. 18.45 were on account of Sinking Fund instalments, Rs. 39.65 of repayment of Government Loans and advances from Special Funds, Rs. 66.28 on account of interest and Rs. .20 Bank and miscellaneous charges.

The sanctioned Budget Grant (original) for 1943-44 was Rs. 388.31. The additional funds made available during the year were Rs. 15.24 on account of renewed grants and Rs. 22.30 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 425.85. Against this, expenditure booked was Rs. 390.96 leaving a balance of Rs. 34.89 of which Rs. 10.77 is required to be renewed for expenditure during 1944-45, Rs. 24.12 being treated as savings on final sanctioned grants as detailed in Appendix No. 4 of the Chief Accountant's Report.

Transfers from one budget head to another without affecting the total Budget provision for the year amounted to Rs. 9.44.

Main factors contributing to decreases over the final sanctioned grants are mentioned in para 12 of the Chief Accountant's Report.

6. *Comparative statement showing the financial position of the last five years.*

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	346.56 (*a*)	347.44	...	0.88
1940-41 ...	356.31 (*b*)	359.18	...	2.87
1941-42 ...	367.66 (*c*)	359.21	8.45	...
1942-43 ...	389.02 (*d*)	364.65	24.37	...
1943-44 ...	403.99 (*e*)	390.96	13.03	...

(*a*) includes Rs. 1.31 and (*b*) Rs. 1.42 on account of interest on Net Premia Fund, (*c*) includes Rs. 1.35 on account of interest on the Net Premia Fund and Rs. 1.40 on account of transfer of excess accumulations from the Plant & Machinery Depreciation Fund, (*d*) includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous years, and (*e*) includes Rs. 1.29 on account of interest on Net Premia Fund and Rs. .44 on account of excess accumulation in the Plant and Machinery Depreciation Fund.

7. *Liabilities and Assets of Revenue Account.*

LIABILITIES.

		Rs. a. p.	Rs. a. p.
1.	Unpaid amounts of cash and cheque bills and bills for stores.		
	(*a*) Cash bills.	39,722 8 5	
	(*b*) Cheque bills.	5,78,681 6 11	
	(*c*) Stores (Reserve)	2,48,919 5 6	
	(*d*) Stores (Capital)	*Dr.* 1,16,186 14 0	
			7,51,136 6 10
2.	Reserve for grants to be renewed for meeting outstanding charges for 1943-44 and previous years.		10,77,000 0 0
3.	Interest accrued but not paid.		10,51,864 0 0
4.	Reserve for contribution to Improvement Schemes account falling due in 1944-45.		26,19,000 0 0
5.	Stock Adjustment Account.		84 15 6
6.	Deposits from contractors and private parties.		75,46,402 10 4
7.	Surplus Revenue Fund.		97,30,719 15 0
	Total ...		2,27,76,207 15 8

ASSETS.

		Rs. a. p.	Rs. a. p.	Rs. a. p.
(1)	*Cash.*			
	A. In current account with Imperial Bank of India		29,71,324 15 5	
	B. On account of Municipal and Trust loans interest warrants payable Accounts—			
	1. Imperial Bank of India.			
	(*a*) Municipal ... 28,890 13 2			
	(*b*) Trust ... 8,009 15 4			
		36,900 12 6		
	2. Hongkong and Shanghai Banking Corporation	5,358 15 4		
	3. The Chartered Bank of India, Australia and China (London)	5,080 0 0		
	4. The Imperial Bank of India (Calcutta). ...		47,339 11 10	
	C. In Office Treasury		26,695 14 11	
	D. Investments in fixed deposits and current accounts with different local Banks ...		96,29,396 0 6	
				1,26,74,756 10 8
(2)	*Securities.*			
	A. With the Imperial Bank of India—			
	(*a*) Municipal Account	49,97,944 4 0		
		13,478 12 0		
	(*b*) Contractor's Account	7,32,800 0 0		
			57,44,223 0 0	
	B.—In Office—			
	(*a*) Contractor's Account		2,88,900 0 0	
				60,33,123 0 0
(3)	*Stores, Stock, Advances, etc.*			
	(*a*) Due for stores sold			11,922 4 0
	(*b*) Stock of Stores			10,83,236 11 5
	(*c*) Interest receivable			73 7 0
	(*d*) Advances—			
	(*i*) For Plant and Machinery ...		20,67,225 7 10	
	(*ii*) Other advances recoverable ...		9,05,870 6 9	
				29,73,095 14 7
	Total Rs. ...			2,27,76,207 15 8

Note:—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are exciuded from the above statement and shown separately.

8. Special Funds.—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called 'The Fines Fund'.

The Position of the Special Funds as at 31st March 1944 was as under :—

Name of Fund.	Balance on 1-4-1943	Credits during the year.	Debits during the year.	Balance of Advances for Capital and other Works.	Balance in Cash and securities.	Balance on 31-3-44 (as per columns 5 and 6.)
1.	2.	3.	4.	5.	6.	7.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1. Municipal Fire and Accident Insurance Fund ...	11,34,135 6 8	52,378 2 0	10,845 7 0	3,92,965 8 0	7,82,702 9 8	11,75,668 1 8
2. Worn-out Water Mains Renewal Fund	4,946 8 3	197 14 0	1,867 8 0	.....	3,276 14 3	3,276 14 3
3. Net Premia Fund	47,29,993 12 7	.....	5,322 15 0	17,22,400 10 0 (a)	30,02,270 3 7	47,24,670 13 7
4. Provident Fund	2,01,34,214 1 6	28,31,450 11 0	10,22,060 4 0	.....	2,19,43,604 8 6	2,19,43,604 8 6
5. Fines Fund	5,25,612 5 4	67,245 9 3	46,498 9 0	10,024 7 0 (b)	5,36,334 14 7	5,46,359 5 7
6. Plant and Machinery Depreciation Fund ...	16,35,689 11 8	82,131 5 11	43,533 7 6	11,56,893 4 3 (c)	5,17,394 5 10	16,74,287 10 1
7. Renewal of Road Surfaces Fund	27,14,710 3 5	2,09,422 4 0	87,538 8 0	8,52,153 14 0	19,84,440 1 5	28,36,593 15 5
8. Garden Fund	84,617 11 6	16,309 1 6	7,736 9 0	.....	93,190 4 0	93,190 4 0
9. Public Monuments Maintenance Fund... ...	1,67,745 13 0	.....	.....	.....	1,67,745 13 0	1,67,745 13 0
10. Endowments Fund	2,98,382 6 0	10,864 12 0	.....	.....	3,09,247 2 0	3,09,247 2 0
11. Hospital Fund	4,74,084 0 6	94,353 0 0	.....	.....	5,68,437 0 6	5,68,437 0 6
12. Land Sales Reserve Fund	26,43,485 9 7	80,548 8 0	3,08,935 7 3	22,25,000 0 0	1,90,098 10 4	24,15,098 10 4
13. Slum Service Fund	1,66,921 3 3	5,017 0 0	1,732 13 0	.....	1,70,205 6 3	1,70,205 6 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	72,061 10 0	22,374 0 0	.....	.....	94,435 10 0	94,435 10 0
15. G.S.M. College and K.E.M. Hospital Research Fund	44,156 4 11	16,151 0 0	5,258 3 0	.....	55,049 1 11	55,049 1 11
16. Pre-cast Concrete Slab Pavements Renewal Fund ...	17,384 0 0	13,634 0 0	.....	.....	31,018 0 0	31,018 0 0
17. Fidelity Guarantee Insurance Fund.	8,568 13 0	5,546 7 0	29 10 0	.....	14,085 10 0	14,085 10 0
Total Rs. ...	... 3,48,56,709 9 2	35,07,623 10 8	15,41,359 4 9	63,59,437 11 3	3,04,63,536 3 10	3,68,22,973 15 1

Note:—The above statement includes item Nos. 4, 5, 9, 10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.

(a) includes Rs. 1,44,908-8-0 advanced for purchase of plant and machinery for the Municipal Printing Press. (b) Includes Rs. 5,000 advanced to the Officer Commanding, Fire Services for conducting a grain store, Rs. 5,024-7-0 advanced to Municipal employees under Corporation Resolution No. 15 of 9-4-1942. (c) Includes Rs. 75,549-5-0 advanced for purchase of plant and machinery and Rs. 62,111-11-3 for meeting expenditure on levelling metalling private street.

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head.	Budget 1943-44.	Revised Estimates 1943-44.	Actuals 1943-44.	Difference between 3 and 4 (+ More) (—Less).
1.	2.	3.	4.	5.
Executed out of Loan Funds.	Rs.	Rs.	Rs.	Rs.
General Supervision	...	...	...	...
Water Works	6.59	12.28	7.67	— 4.61
Education-Primary (Buildings)	1.00	.03	0.3	...
Public Health	.58	.92	.08	— .84
Medical Relief and Education	.34	1.23	.04	— 1.19
Street Cleansing and Conservancy	.97	2.19	*Cr.* .07	— 2.26
Roads, Drains and Sewers	9.94	12.93	7.98	— 4.95
Mechanical	.93	.75	.22	— .53
Buildings, Land Acquisition	.65	1.03	.55	— .48
Fire Brigade	.46	1.60	.53	— 1.07
Markets	.37	.31	.03	— .28
Slum Service	.08	.27	.07	— .20
Measures for Civil Defence	1.60	1.80	.79	— 1.01
Discount and other charges on Loans	.32	.21	.15	— .06
Plant and Machinery	.33	2.91	.37	— 2.54
Repayment of advance taken from Land Sales Reserve Fund. ...	12.00	2.00	...	— 2.00
Total Rs. ...	36.16	40.46	18.44	—22.02
Executed out of Trust Fund	.02	.34	.26	— .08
Worn out Water Mains Renewal Fund	.10	.05	.02	— .03
Total Rs. ...	36.28	40.85	18.72	—22.13

Remarks:—(1) The Budget of Rs. 36.28 included Rs. .32 on account of discount and other charges on the new loan and Rs. .33 on account of purchase of new plant and machinery and Rs. 12.00 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 40.85 included Rs. .21 on account of discount and other charges on the new loan, Rs. 2.91 on account of purchase of new plant and machinery.

(3) The gross figure of actual expenditure for the year Rs. 18.72+00.58 written off=Rs. 19.30 includes Rs. .15 on account of discount and other charges on loan and Rs. .37 on account of plant and machinery. The actuals fell short of the Budget (Rs. 36.28) by Rs. 16.98 and of the Revised Estimates (Rs. 40.85) by Rs. 21.55.

10. *Progressive Capital outlay not charged to Revenue upto the end of* 1943-44.

Service Head.	Expenditure upto 1942-43.	Expenditure during 1943-44.	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I. General Supervision	20.44	...	20.44
II. Water Works	990.57	7.67	998.24
III. Education-Primary	27.89	.03	27.92
V. Public Health	16.04	.08	16.12
VI. Medical Relief	81.75	.04	81.79
VII. Street Cleansing and Conservancy	90.24	*Cr.* .07	90.17
VIII. Roads, Drains and Sewers	762.32	7.98	770.30
IX. Mechanical	31.46	.22	31.68
X. Buildings, Land Acquisition and Management	427.79	.55	428.34
XI. Fire Brigade	12.11	.53	12.64
XIII. Gardens	36.77	...	36.77
XIV. Markets and Slaughter Houses	81.96	.03	81.99
XV. Slum Service	6.37	.07	6.44
XVI. Measures For Civil Defence	.01	.79	.80
Discount and other charges on loans	4.87	.15	5.02
Plant and Machinery	5.09	.37	5.46
Total Rs. ...	2,595.68	18.44	2,614.12
Executed out of Trust Fund	42.66	.26	42.92
Executed out of Worn-Out Water Mains Renewal Fund	9.59	.02	9.61
Executed out of Buildings Fund	43.03	...	43.03
Total Rs. ...	2,690.96	18.72	2,709.68

The Capital Fund Balance Sheet exhibits, on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets side by expenditure incurred to date and balance of securities and cash (*vide* Appendix No. 7 of the Chief Accountant's Report.

The expenditure of Rs. 2,614.12 out of the Loans Funds shown therein includes Rs. 70.11 on account

of interest paid on Capital (Development Loan) and Rs. 20.98 paid as subventions to house owners. The following are the sources from which this expenditure has been financed :—

		Rs.	Rs.
(1)	Loans from Public, Government and Special Funds.—		
	(*a*) Debt outstanding as per Chief Accountant's Report.	1,406.87	
	(*b*) Loans repaid for which credit is given to Loan Redemption Fund.	1,060.46	
			2,467.33
(2)	Premia on Loans		3.21
(3)	Contributions from Special Funds		8.03
(4)	,, Bai Jerbai Wadia Children's Home		7.00
(5)	,, Revenue for Loan Works Establishment		.18
(6)	,, G.I.P. Railway		3.74
(7)	,, B.P.T. for Works Establishment		1.56
(8)	,, Government for Schools Buildings...		5.00
(9)	,, Development Fund		134.32
(10)	,, Government for widening the Love Grove Bridge		.92
	Total Rs. ...		2,631.29
	Less—Assets written off		7.90*
			Rs. 2,623.39
	Expenditure upto 31st March 1944	2,614.12	
	Balance (Rs. 9,26,731-8-5)	9.27	
			2,623.39

* The amount of Rs. 7.90 includes Rs. .37 and Rs. .21 written off during the year on account of plant and machinery and subventions to house-owners respectively.

11. The position of Loan Funds as estimated in the Revised Budget for 1943-44 and as revealed by the actuals was as under :—

Loan Funds.	As per Revised Estimate 1943-44.	As per Actuals 1943-44.
	Rs.	Rs.
Opening Balance on 1st April 1943	17.27	17.30
New loan raised in 1943-44	20.00	10.00
Advance from Special Funds for purchase of plant and machinery.	3.34	.99
Total ...	40.61	28.29
Less—Expenditure.	40.46	19.02
Deficit— Surplus+	+ .15	+ 9.27

Trust Fund Balance.

The balance in the Trust Fund, namely Rs. .89 was made up of the following :—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for construction of a Primary School Building.	.59
(2) Donation from Messrs. Thakordas & Co., Solicitors on behalf of their Client Bai Kailasgoveri for a dispensary near Mumbadevi	.30
Total Rs. ...	.89

12. *Debt Position.*

	Outstanding debt on 1st April 1943.	Loans raised during the year.	Loans repaid during the year.	Balance on 31st March 1944.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	545.12	.....	38.23	506.89(*a*)
(2) Public Loans ...	854.51	10.00	25.20	839.31
(3) Internal advances from Special Funds.	61.10	.99	1.42	60.67
Total ...	1,460.73	10.99	64.85	1,406.87

(*a*) Includes Rs. 8.40 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 10.99. Of this Rs. 10.00 were raised by issue of debentures reserved for the investments of the Sinking and Special Funds and Rs. 0.99 were taken as advance from the Municipal Special Funds. Amount repaid during the year was Rs. 64.85. Of this Rs. 38.23 and Rs. 1.42 were repaid from the current revenues as annual equated instalments in respect of advances taken from Government and from the Municipal Special Funds, respectively, and Rs. 25.20 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 53.86.

13. The following are the figures of outstanding debt, accumulations of Sinking Fund thereagainst and the debt charges paid out of revenue for the last five years.

Year.	Debt Outstanding.	Sinking Fund accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	1,566.25	325.07	1,241.18	123.36
1940-41 ...	1,557.20	337.43	1,219.77	124.94
1941-42 ...	1,549.83	369.77	1,180.06	126.84
1942-43 ...	1,460.73	326.11	1,134.62	125.66
1943-44 ...	1,406.87	332.84	1,074.03	124.58

14. *Position of Sinking Fund.*

Balance on 1st April 1943.	Instalments paid during the year.	Interest earned on securities.	*Less*— Amount utlised for repayment of loans.	Balance at Book value of securities on 31st March 1944.
Rs.	Rs.	Rs.	Rs.	Rs.
326.11	18.45	13.42	25.14	332.84

At the Book Value of Securities, the Fund stood at Rs. 332.84 valuing the Government and other public securities at market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 356.22. Adding to this the accrued proportions of interest (not due) on the securities held in the fund as on 31st March 1944 amounting to Rs. 3.34 the total amount comes to Rs. 359.56. Against this the amount of the theoretical valuation of the fund was Rs. 338.10.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory.*—The nominal budget deficit of Rs. 10.38 came down to Rs. 2.50 on the actual closing of the accounts for the year. The collections of Revenue and realisation of interest on the invested balance were better by Rs. 2.81 than those budgeted for. The actual expenditure was also less by Rs. 5.07 than that budgeted for. Thus the actual working of the year resulted in improvement of the Revenue position by Rs. 7.88 when compared with that of the Budget and the excess of expenditure over receipts was only Rs. 2.50 which was transferred to Capital Account. In addition, the liabilities outstanding in respect of the Renewed Grants were Rs. 3.72.

2. *Summary of Revenue transaction for the year.*

	Actuals for 1942-43.	Budget 1943-44.	Revised 1943-44.	Actuals 1943-44.
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts ...	87.28	92.64	94.07	95.45
Expenditure ...	103.48	103.02	101.71	97.95
Surplus + / Deficit — ...	—16.20	—10.38	—7.64	—2.50

3. The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous year :—

Head.	Budget. 1943-44.	Actuals. 1943-44.	Increase or decrease over Budget (+) (—) 1943-44.	Actuals. 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties ...	52.88	54.75	+1.87	54.12	+0.63
(2) Contribution from the Corporation under Section 125 (2) of the Municipal Act.	25.65	26.27	+.62	24.70	+1.57
(3) Receipts on account of tobacco duty ...	10.00	10.00	...	4.13	+5.87
(4) Interest and profits on investments ...	3.75	4.03	+ .28	4.01	+0.02
(5) Miscellaneous Receipts ...	.36	.40	+ .04	.32	+0.08
Total ...	92.64	95.45	+2.81	87.28	+8.17

4. The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year :—

Head.	Final sanctioned grants. 1943-44.	Actuals. 1943-44.	Increase or decrease over final sanctioned grants. 1943-44.	Actuals. 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
A.—Maintenance of Properties and Streets ...	28.47	18.46	—10.01	17.58	+0.88
B.—Cost of Management and Establishment ...	9.94	8.96	—0.98	7.59	+1.37
C.—Proportionate charges on account of Municipal Supervision ...	1.05	.88	—0.17	0.83	+ .05
Total B and C ...	10.99	9.84	—1.15	8.42	+1.42
Deduct—Charged to Capital account and General account ...	10.99	9.84	—1.15	8.42	+1.42
	...	...	...	...	...
D.—Debt Charges ...	80.39	79.49	—0.90	79.62	—0.13
E.—Repayment of excess amount received on account of contribution from Municipal Corporation in previous years ...	...	...	...	6.28	—6.28
Total ...	108.86	97.95	—10.91	103.48	—5.53

The final sanctioned grants were Rs. 108.86 comprising of :—

			Rs.
Original Budget Grant	... ...		103.02
Renewed Grants	... ...		3.12
Additional Grants	... ...		2.72
Transfers—			
Additions	... ...	.23	
Deductions	... ...	.23	...
			Rs. 108.86

Against the final sanctioned grant of Rs. 108.86, the expenditure incurred was Rs. 97.95, leaving a balance of Rs. 10.91, out of which a sum of Rs. 3.72 is required to be renewed for expenditure during 1944-45.

5. Comparative statement showing the financial position of the last five years is given hereunder :—

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	104.33	99.72	4.61	.....
1940-41 ...	98.07	101.95	.....	3.88
1941-42 ...	103.55	97.68	5.87	.....
1942-43 ...	87.28	103.48	.....	16.20
1943-44 ...	95.45	97.95	.....	2.50

6. Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department :—

	Demand including arrears.	Recoveries including adjustments.	Write off	Arrears at the close of the year.	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Permanent ...	35.96	32.60	.02	3.36	9.34
2. Temporary ...	29.71	21.43	.21	*8.06	27.12

* This inludes Rs. 4,55,911 —due from Government of India.

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements).

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1943-44.	Revised Estimate 1943-44.	Actuals 1943-44.	Difference between 3 and 4. More (+) or Less (—).
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes ...	11.21	10.95	3.52	— 7.43
(2) Miscellaneous ...	1.00	...	...	...
(3) Discount and other charges on Loans ...	...	...	...	...
(4) Cost of management, etc. ...	1.39	1.74	1.44	—0.30
(5) Repayment of Loans ...	...	.01	.01	...
(6) Revenue Deficit ...	10.38	7.64	2.50	—5.14
Total ...	23.98	20.34	7.47	—12.87

REMARKS.—The actuals fell short of the revised estimates by 63 32 per cent.

8. Progressive Capital outlay not charged to Revenue upto the end of 1943-44.

Service Head.	Expenditure upto 1942-43.	Expenditure during 1943-44.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes ...	1,766.62	4.97	1,771.59
Police Accommodation Schemes ...	91.85	...	91.85
Mill Company's Chawl Schemes ...	9.46	...	9.46
Miscellaneous ...	8.63	...	8.63
Discount on Loans and Expenses ...	14.65	...	14.65
Total ...	1,891.21	4.97	1,896.18*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule 'W' and 'X'.

The expenditure of Rs. 1,896.18 and the net revenue deficits amounting to Rs. 195.60 total Rs. 2,091.78 has been financed from the following sources :—

1. Loans from Public and Government :—		Rs.	Rs.
(a) Debt outstanding as on 31st March 1944. ...		1,612.80	
(b) Loans repaid for which credit is given to Loans Redemption Fund		48.58	
			1,661.38
2. Extraordinary receipts transferred from S. F. accumulations ...			25.08
3. Special Grants from Government of India ...			54.00
4. Premia on Loan (1936-37) ...			.30
5. Sale proceeds of Land and Buildings ...			469.10
			2,209.86
Less—			
Expenditure on Schemes and revenue deficits	1,896.18		
Revenue deficits	195.60		
		2,091.78	
Balance in Cash and Securities		118.08	
			2,209.86

9. The state of Capital Account was as under :—			
Balance on 1st April 1943. ...			83.43
Receipts, from sale of land. ...			42.12
			125.55
Less—			
Expenditure on Improvement Schemes Account ...		4.97	
Repayment of loan ...		...	
Deficits in General Account ...		2.50	7.47
Balance on 31st March 1944. ...			118.08

10. *Debt Position.*

	Outstanding debt on 1st April 1943.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1944.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	858.94	...	5.07	853.87*
(2) Public Loans ...	758.95	...	.01	758.94
Total ...	1,617.89	...	5.08	1,612.81

*Out of Rs. 853.87 outstanding Government Loans, Debentures of the face value of Rs. 245.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 5.07 was repaid to Government in respect of advances taken from them out of the Current Revenue and Rs. .01 to the public in respect of the loan of 1931.

11. The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years :—

Year.	Debt Outstanding.	Sinking Fund Accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	1,642.15	257.40	1,384.75	80.19
1940-41 ...	1,637.54	275.05	1,362.49	80.27
1941-42 ...	1,632.79	293.47	1,339.32	79.95
1942-43	1,617.89	310.39	1,307.50	79.62
1943-44 ...	1,612.81	330.20	1,282.61	79.48

12. *Position of Sinking Fund.*

Balance on 1st April 1943.	Instalments paid during the year.	Interest earned on Securities.	*Less*— Amount utilised for repayment of Loans.	Balance at book value of Securities on 31st March 1944.
Rs.	Rs.	Rs.	Rs.	Rs.
310.39	5.81	14.00	...	330.20

At the book value of securities, the Fund stood at Rs. 330.20. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Debentures at par, the accumulations in the Fund work out to Rs. 333.56. Adding to this accrued proportions of interest (not due) on the securities held in the Fund as on 31st March 1944 amounting to Rs. 1.23 the total amount comes to Rs. 334.79. Against this the theoretical valuation of the Fund was Rs. 286.96.

13. *Statement showing balances in Cash and Securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities. Face value.	Securities. Book value.	Total.
	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.
I.—Municipal Accounts (Proper).				
(1) Revenue account (including balances of deposits and suspense heads).	1,26,74,756 10 8	60,83,900	60,33,123 0 0*	1,87,07,879 10 8
(2) Special Funds Accounts ...	25,31,290 4 1	2,99,29,100	2,79,32,245 15 9	3,04,63,536 3 10
(3) Capital Account—				
(a) Loan Fund ... Rs. 9,26,731 8 5				
(b) Trust Fund ... 88,981 6 4	7,00,410 6 9	3,16,600	3,15,302 8 0	10,15,712 14 9
10,15,712 14 9				
(c) Sinking Fund (Municipal) ...	245 7 10	3,45,66,400 £ 25,000	3,32,83,587 6 8	3,32,83,832 14 6
II.—Improvement Schemes Account.				
(1) Capital Account ...	55,63,297 2 1	62,45,200	62,45,200 0 0	1,18,08,497 2 1
(2) Sinking Fund Account ...	131 1 2	3,20,66,700 £ 90,800	3,30,19,601 3 0	3,30,19,732 4 2
Total ...	2,14,70,131 0 7	10,91,47,900 £ 1,15,800	10,68,29,060 1 5	12,82,99,191 2 0

* This includes a sum of Rs. 13,478-12-0 invested out of the Surplus Cash Balance in G. P. Notes of the face value of Rs. 14,900 on Lessee's account the securities for which are included in the Contractor's securities account with the Bank.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1944.*

	Rs.	a.	p.
(*a*) Cash in Office Treasury. ...	26,695	14	11
(*b*) Securities in Office Treasury ...	2,88,900	0	0
Total (*a*) and (*b*) ...	3,15,595	14	11
(*c*) Balance as per Pass Book. ...	24,53,840	15	1
Add—Cheques paid into the Bank on 31st March 1944 to be realised on 1st April 1944 ...	7,46,391	1	4
Rs. ...	32,00,232	0	5
Deduct—Amount of cheques delivered but not presented for payment ...	2,28,907	1	0
Total (*c*) Rs.	29,71,324	15	5
Grand total (*a*), (*b*) and (*c*) Rs. ...	32,86,920	14	4

15. The amounts of Cash and Securities belonging to different Municipal and Improvements Accounts were as under :—

1. *Cash.*

(A) In the Current Accounts, Interests Accounts and Fixed Deposits with the following Banks :—

Name of Bank.	Current accounts and interest accounts.	Fixed deposits.	Total.
(1) The Imperial Bank of India—	Rs. a. p.	Rs.	Rs. a. p.
(*a*) General Fund Account (*See* Bank Pass Book Reconciliation) ...	29,71,324 15 5	...	29,71,324 15 5
(*b*) Interest Warrants Payable Accounts— (*i*) Municipal Loans ...	28,890 13 2	...	28,890 13 2
(*ii*) Improvement Schemes Loans ...	8,009 15 4	...	8,009 15 4
(*c*) Current Deposit Account in respect of Sinking, Special, Surplus and Loans Funds.	4,196 7 5	...	4,196 7 5
(2) Hongkong and Shanghai Banking Corporation. (Interest on B.I. Trust Loan Payable Account).	5,358 15 4	...	5,358 15 4
(3) The Chartered Bank of India, Australia and China. (Interest on B.I. Trust Loans Payable Account).	5,080 0 0	...	5,080 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures.	...	...	...
(5) The Chartered Bank of India, Australia and China ...	2,47,434 14 3	9,00,000	11,47,434 14 3
(6) The National Bank of India ...	50,179 3 3	9,00,000	9,50,179 3 3
(7) Lloyd's Bank, Ltd. ...	98,617 4 4	...	98,617 4 4
(8) The Central Bank of India, Ltd. ...	7,15,051 15 1	39,00,000	46,15,051 15 1
(9) The Mercantile Bank of India, Ltd. ...	7,49,118 11 0	15,00,000	22,49,118 11 0
(10) Allahabad Bank, Ltd. ...	2,47,566 1 4	15,00,000	17,47,566 1 4
(11) Eastern Bank, Ltd. ...	5,19,818 13 8	...	5,19,818 13 8
(12) The Bank of India, Ltd. ...	96,989 11 7	6,00,000	6,96,989 11 7
(13) The Bombay Provincial Co-operative Bank, Ltd ...	97,288 3 0	20,00,000	20,97,288 3 0
(14) Union Bank of India, Ltd. ...	2,25,114 8 0	10,00,000	12,25,114 8 0
(15) The Bank of Baroda, Ltd. ...	4,99,359 7 0	20,00,000	24,99,359 7 0
(16) Messrs. Devkaran Nanji Banking Co. Ltd. ...	...	1,00,000	1,00,000 0 0
(17) Treasury Bills of Rs. 4,75,000. ...	...	4,74,035 2 6	4,74,035 2 6
Total (A) Rs. ...	65,69,399 15 2	1,48,74,035 2 6	2,14,43,435 1 8
(B) In Office Treasury			26 695 14 11
Total Cash Rs. ...	65,69,399 15 2	1,48,74,035 2 6	2,14,70,131 0 7

(2) *Securities.*		Face value. Rs.
(*a*) In Office Treasury	...	2,88,900
(*b*) (I) With the Imperial Bank of India		
(*i*) Municipal Corporation of the City of Bombay Securities Account	...	6,93,23,500
		£25,000
(*ii*) Municipal Corporation of the City of Bombay Securities Accounts 'A', 'B' and 'C'	...	3,72,77,900
(*iii*) Municipal Corporation of the City of Bombay	...	6,57,600
(II) With the Chartered Bank of India, Australia dnd China (Bombay)	...	£20,800
(III) With the Chartered Bank of India, Australia and China (London)	...	£70,000
Total as per certificates	Rs.	10,75,47,900
	£	1,15,800
(*c*) Debentures with the Government of Bombay for the amount of Rs. 16 lakhs repaid to them on 31st March 1944 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 11th May 1944)	...	16,00,000
	Rs.	10,91,47,900
	£	1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with Bank Pass Books and Banks' certificates and found in order.
(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in th e safe custody of the Chief Accountant and found in order.
(*c*) Cash in office treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.
(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(Town Council Resolution No. 1455, dated the 6th October 1879).

A reference is invited to separate letter No. M.C.A. 318/IV, dated the 5th October 1944 addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding bills of Rates and Taxes and Riot Tax on 31st March 1944.

(4) *Account of Water-marked Paper.*

The account of Water-marked paper held in the safe custody of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,
BOMBAY *5th October 1944*

R. C. MEHTA.
Municipal Chief Auditor.

APPENDIX 'A'.

Statement of charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1943-44.

Sanctioning Authority.	Number and date of sanction.	Particulars of charges.	Amount. Rs. a. p.
Municipal Commissioner	SR/17553 31-3-1943	... Cost of 1 dozen copies of Drucquer's Civil Defence from the Oxford University Press.	13 8 0
Do.	... C/1104 31-3-1943	... Charges paid to driver Narayan Waman Mhatre in connection with his detention at Igatpuri for taking Municipal lorry without Road permit. He was sent to Jarwer Budruk for collecting guaging and other comparing materials in connection with guaging work of Vaitarna River. ...	54 10 0
Do.	... SR/47/29-4-1943	... Charges for luncheon and after-noon tea at Tansa Bunglow in connection with the inspection of Water Works by the Members of the Works Committee ...	122 14 0
Do.	... SR/1007/26-5-1943	... Charges for refreshment, etc., given to Members of the Standing Committee on their visit to Kasheli Bridge...	14 10 0
Do.	... SR/255/28-5-1943	... On account of rewards given to Inspectors, etc., staff for successfully carrying out raid for seizing contraband meat which was being smuggled in a lorry from Kurla to Bombay ...	205 0 0
Do.	... SR/2004/27-7-1943	... Cost of China Flags that were flown on the Municipal Head Office and *Ex*-Trust Buildings ...	39 0 0
Do.	... C/1317/5-11-1943. C.R. 533/20-9-1943	Charges paid to Mr. E. A. Nadirsha, Hydraulic Engineer for attending the Session of the Indian Roads Congress held in Gwalior in the first week of October 1943 ...	227 3 0
Do.	... SR/13480/14-9-1943	... Cost of the following articles supplied to Water-Brahmins. 2 Earthenware pots with cock's ... 30 0 0 9 Brass lotas ... 17 10 0 2 Wooden stands ... 7 14 0 Buckets ... 18 6 0	73 14 0
Do.	... F/4629/SR/18-12-1943	... Charges of cash prizes distributed at the trailer pump competition to the successful Fire-Brigade staff of 17-12-1943	89 15 0
Do.	... CESR/493/26-4-1943	... Charges on account of arrangement for carrying members to Kasheli Bridge for inspection on 28-4-1943 ...	14 15 0
Do.	... CESR/493/9-3-1944	... Cherges of 2 buses for members of Committee going to Tansa for inspection work on 28-3-1943 ...	92 1 0
Do.	... AE/8730/18-1-1944	... L. A.'s personal conveyance charges met from Municipal Commissioner's discretional contingencies ...	155 5 0
			1,102 15 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1943-44.

(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-keeper.			
	Opening Balance.	Receipts.	Total.	Issues.	Closing Balance.	Opening Balance.	Receipts.	Issues	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p
General Stores ...	5,66,255 14 10	13,91,853 14 6	19,58,109 13 4	12,16,281 15 0	7,41,827 14 4	4,63,575 0 10	14,02,943 13 6	11,89,698 4 0	6,76,820 10 4
General Stores, Surplus Obsolete	...	...	...	...	...	..	...	...	
Line Suspense Account ...	94,859 12 10	88 0 0	94,947 12 10	1,854 11 0	93,093 1 10	94,860 4 10	...	1,800 13 0	93,059 7 10
Line Suspense Account Surplus and Obsolete ...	...	...	...	...	...	...	..	...	...
Capital Stores ...	2,60,392 9 3	3,65,914 3 0	6,27,306 12 3	3,78,991 1 0	2,48,315 11 3	2,13,116 4 3	3,70,807 1 0	3,47,313 14 0	2,36,609 7 3
Total Rs....	9,21,508 4 11	17,58,856 1 6	26,80,364 6 5	15,97,127 11 0	10,83,236 11 5	7,71,551 9 11	17,7 3,750 14 6	15,38,812 15 0	10,06,489 9 5
						Balance as per column 6		...	10,83,236 11 5
						Difference (*a*)		...	76,747 2 0

(*a*) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 78,001-0-0 against the grants of the different departments counterbalanced by a sum of Rs. 1,253-14-0 which was not taken on the Stock account in the Chief Accountant's Office.

Remarks.—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE II.

Report on the Schools Committee's Accounts.

(*Note.*—The figures in this report are in lakhs of Rupees unless otherwise expressly stated.)

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee including renewed and additional grants aggregated to Rs. 48.57. Against this the actual contribution paid to the Schools Committee amounted to Rs. 46.43. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this a sum of Rs. 47,026-7-1 being the amount of unspent balance of contribution drawn by the Schools Committee for 1943-44 was held by the Schools Committee as on 31st March 1944. The sum of Rs. 47,026-7-1 is treated as an advance to the Schools Committee in the accounts of the Municipal General Fund, for 1943-44.

2. Summary of receipts and payments for the year :—

Particulars.	Actuals 1942-43	Budget 1943-44	Revised 1943-44	Actuals. 1943-44
	Rs.	Rs.	Rs.	Rs.
1. Receipts (inclusive of opening balance) ...	42.04	43.64	45.60	47.00
2. Payments	41.84	43.44	45.40	46.80
3. Balance	.20	.20	.20	.20
4. Minimum Cash Balance.	.20	.20	.20	.20

Lapsed Grants :—The amount of lapsed grants estimated to be renewed during the year 1944-45 aggregated to Rs. 1.17. The amount of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt Charges, New Works, Medical Inspection of School Children, etc., amounted to Rs. 2.74, which when added to the sum of Rs. 46.80 brings the total expenditure on Primary Education of the City to Rs. 49.54.

3. The following is a summary of receipts under different heads :—

	Rs.
Contribution from Municipal General Fund	46.43
Fees from Municipal Schools	.30
Interest on Endowment and Trust Funds	.06
Miscellaneous Receipts	.01
Total Rs.	46.80

4. The following statement gives transactions of the Schools Committee's accounts for the last five years :—

Year	Receipts including opening balance	Expenditure	Closing Balance.
	Rs.	Rs.	Rs.
1939-40	37.09	36.89	.20
1940-41	40.43	40.23	.20
1941-42	41.25	41.05	.20
1942-43	42.04	41.84	.20
1943-44	47.00	46.80	.20

5. The total assets and liabilities of the School Fund on 31st March 1944 as shown in the Balance Sheet were as under :—

Assets.			Rs. a. p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of the face value of Rs. 2,04,400 ...			2,04,294 8 0
2. Advances and deposits recoverable—			
(*a*) Advances to Officers	...	619 0 0	
(*b*) Advances to Teachers	...	2,884 13 0	
(*c*) Deposit with the Garrison Engineer for water charges	...	5 0 0	
			3,508 13 0
3. Cash Balances—			
(*a*) With the Imperial Bank of India		1,13,337 15 11	
(*b*) In Office Treasury		118 8 8	
			1,13,456 8 7
Total ... Rs.			3,21,259 13 7

Liabilities.

			Rs. a. p.
1. Balance from the Chief Accountant on account of the Unspent balance of Municipal Contribution held in the School Fund			47,026 7 1
2. Sundry Deposits—			
(a) Unclaimed wages for Schools and Office	12,462 0 3		
(b) Miscellaneous Deposits	11,130 1 3		
(c) Unclaimed Rent	5,470 14 0		
(d) From Contractors	1,385 0 0		
(e) Schools Committee's Employees' Co-operative Credit Society	701 0 0		
(f) Income Tax recoveries	110 5 0		
(g) Court Attachment recoveries	12 8 0		31,271 12 6
3. Trust, Scholarship and Prize Funds—			
(a) Investments of the face value of Rs. 2,04,400.	2,04,294 8 0		
(b) Cash	18,667 2 0		2,22,961 10 0
4. Statutory Balance			20,000 0 0
	Total ... Rs.		3,21,259 13 7

(Item No.2(*b*) includes Rs. 20 on account of Fines Fund).

Accounts of the assets and liabilities on account of Provident Fund have been omitted this year from the Schools Committee's balance sheet as per the suggestions contained in the report on the irregularities in the Schools Committee's Provident Fund Account *vide* Corporation Resolution No. 872 of 13th January 1944.

6. *Donations.*—Securities for Rs. 15,000 in addition to Rs. 2,400 included in the balance sheet pertaining to Jerajbhai Peerbhai Girls' School Trust Fund are held by the Reserve Bank of India. The Schools Committee does not hold any safe custody receipt for the amount. The matter is under correspondence between the Government and the Schools Committee (*vide* Corporation Resolution No. 820 of 3-12-1942).

7. *Provident Fund.*—An additional grant of Rs. 12,531 was sanctioned by the Corporation (*vide* Corporation Resolution No. 872 of 13th January 1944) and the irregularities that existed in the Provident Fund Account of the Schools Committee have been adjusted during the year. The net liability on account of Provident Fund as shown by the individual accounts of the subscribers prepared by the Schools Committee's Office *viz.*, Rs. 59,70,103-15-0 agrees with the invested balances as shown in Appendix No. 6 of the Chief Accountant's report as follows :—

			Rs. a. p.
Balance on 1st April 1943 on account of Schools Committee's employees ...			53,59,331 0 0
Add—Net opening balances of accounts transferred from Municipal Accounts to the Schools Committee's accounts ...			25,502 10 0
			53,84,833 10 0
Less—Net opening balances of accounts transferred from the Schools Committee's accounts to Municipal Accounts ...			15,815 3 0
			53,69,018 7 0
Add—(1) Receipts during the year ...		4,53,404 0 0	
Less—Payments on account of subscription and contribution in respect of Schools Committee's employees...		46,845 11 0	
		4,06,558 5 0	
(2) Interest allowed on provident fund accounts of the Schools Committee's employees	2,30,883 2 0		
Less—Payments during the year	36,355 15 0		
		1,94,527 3 0	6,01,085 8 0
		Total ...	59,70,103 15 0

8. During the year a sum of Rs. 362-10-0 on account of excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, etc., covering 17 cases, was recovered from the members of the staff and the parties concerned. Various other omissions and inaccuracies were detected in the course of test-audit some of which have been got rectified and other are under correspondence. As stated in the previous audit reports more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is necessary.

9. Government grant received during the year was Rs. 9,36,430 as under :—

	Rs.
(1) Grant for 1943-44 for Primary Education	... 9,45,000
(2) Grant for paying grant-in-aid to Primary Departments of English Teaching Schools for 1943-44	... 30,670
	9,75,670
Less.—Excess grant paid by Government in 1942-43 recovered by them on account of fall in the number of students during the time of exodus of population from the City	... 39,240
Total	... 9,36,430

In addition to the above the Government grant for Training Institutions received by the Schools Committee's Office in the month of March 1944 and forwarded to the Chief Accountant in 1944-45 was Rs. 4,400 as follows :—

	Rs.
(1) Byculla Training Class (27-3-1944)	... 3,200
(2) Rahimtulla Currimbhoy Training Institute (20-3-1944)	... 1,200
Total	... 4,400

As pointed out in the previous audit reports estimated rent for schools located in the buildings built at Municipal cost or donated by public is not assessed and charged to the school fund and consequently it is not included in the figures of cost of Primary Education. Although the Schools Committee under their resolution No. 1332, dated the 22nd December 1941 instructed the Superintendent of Accounts at the instance of Audit to show the rent of buildings constructed at Municipal cost on the expenditure side of the School Fund Budget, nothing has so far been done. The Secretary, Schools Committee, has been again reminded to expedite the matter.

10. Arrears of School fees on 31st March 1944 as certified by the Secretary, Schools Committee, were Rs. 3,719-2-0.

11. The cash balance of Rs. 118-8-8 was counted and found correct. The reconciled balance in the Bank as per Cash Book *viz.*, Rs. 1,13,337-15-11 was examined with the bank statements and certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1942-43 and 1943-44 and detailed audit remarks on the Schools Committee's accounts are appended hereto and marked respectively appendix 'A' and appendix 'B'.

14. Appendix 'C' gives month by month the position of the number of teachers to pupils. The figures have been supplied by the Secretary, Schools Committee.

15. In order to avoid wrong or excess payments the necessity of obtaining certificates from the Head Masters of the Schools as to the occupation of premises before the rent bills are paid is being stressed in the audit reports from year to year; But the suggestion has not been given effect to so far.

MUNICIPAL OFFICES,

BOMBAY, *5th October 1944.*

R. G. MEHTA,

Municipal Chief Auditor.

APPENDIX 'A.'

Comparative statement showing the expenditure incurred by the Schools Committee during 1942-43 and 1943-44.

Particulars.	Expenditure.		Increase.	Decrease.
	1942-43.	1943-44.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Head Masters and Teachers ...	22,87,785 0 0	24,26,788 11 0	1,39,003 11 0	.....
Servants ...	1,82,947 9 0	2,05,644 8 0	22,696 15 0	.....
Rents ...	5,90,398 10 9	5,56,288 5 10	.....	34,110 4 11
Class Books for Teachers ...	582 10 9	2,127 11 3	1,545 0 6	.....
School furniture ...	20,612 14 0	5,189 4 6	.....	15,423 9 6
School Contingencies ...	32,296 7 9	31,976 4 6	.....	320 3 3
Scholarships ...	5,187 0 0	3,844 7 0	.....	1,342 9 0
Special Expenses in Schools ...	12,383 9 8	30,764 15 5	18,381 5 9	.....
Magazines for Schools ...	1,156 5 0	663 6 0	.....	492 15 0
Sewing and Drawing ...	599 8 0	3,850 4 8	3,250 12 8	.....
Uniforms and Umbrellas ...	11,591 14 0	86 10 0	.....	11,505 4 0
Printing and Stationery ...	19,375 13 0	18,959 12 0	.....	416 1 0
Miscellaneous Expenses ...	10,410 12 5	9,083 3 6	.....	1,327 8 11
Sports ...	151 12 0	123 2 6	.....	28 9 6
Local Committees ...	876 1 9	819 8 3	.....	56 9 6
Visual Instruction ...	.....	.....	.....	.....
Sloyd and Handicrafts ...	10,468 10 6	6,716 10 6	.....	3,752 0 0
Boy Scouts and Girl Guides ...	14,440 13 9	7,992 2 9	.....	6,448 11 0
Audit Establishment Charges ...	5,275 4 0	5,569 15 0	294 11 0	.....
Grain Compensation ...	1,77,746 8 0	5,36,006 12 0	3,58,260 4 0	.....
Stipend to Teachers ...	1,10,479 14 0	93,348 8 0	.....	17,131 6 0
Superintendents and their Establishments ...	1,07,947 1 6	1,16,786 13 0	8,839 11 6	.....
Grants-in-Aid to primary schools ...	2,16,459 0 0	2,12,331 0 0	.....	4,128 0 0
Teachers' Library ...	2,657 9 0	3,440 15 0	783 6 0	.....
Superintendent, Aided Schools ...	7,715 5 6	15,175 7 9	7,460 2 3	.....
Census Establishment ...	27,856 14 6	35,939 4 0	8,082 5 6	.....
Pension and Gratuities ...	1,37,055 2 0	1,36,788 14 0	.....	266 4 0
Municipal Contribution towards Provident Fund ...	1,70,445 14 0	1,85,186 8 0	14,740 10 0	.....
Repairs to School Buildings ...	6,844 0 0	10,933 10 0	4,089 10 0	.....
Free Reading Rooms and Libraries ...	11,496 8 9	78 7 0	.....	11,418 1 9
Stock Verifier's Establishment ...	907 8 0	441 14 0	.....	465 10 0
Interest credited to Jivkore Lallubhai Scholarship Fund ...	.....	4,477 4 8	4,477 4 8	.....
Adjustment of Provident Fund discrepancies ...	.....	12,530 11 6	12,530 11 6	.....
Total Rs. ...	41,84,152 1 7	46,79,954 15 7	6,04,436 9 4	1,08,633 11 4

APPENDIX 'B'

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads :—

I.—Revenue and Receipts.

II.—Recoveries of excess or wrong payments, as well as the dues left unrecovered for unduly long periods.

III.—Extra measures resulting in new recurring and non-recurring commitments.

IV.—Internal audit and control.

V.—Non-observance of Municipal Service Regulations.

VI.—General.

VII.—Reports sent to the Standing Committee.

I.—Revenue and Receipts.

A—FEES.

(1) It was suggested to the Secretary, Schools Committee last year, that the quarterly statements of fee should show the amounts of arrears of previous quarter, current fees, fees recovered and amounts written off, if any. Reply is still awaited:

M.C.A.3275/II, 14-12-1942 & M.C.A.3965/II, 21-10-1943

The procedure followed in the preparation of these statements was also found defective in as much as the statements were prepared by the office and given to the Superintendents for verification instead of their being prepared from the intial records and verified by the Superintendents and then compared by the office with the recoveries. The Secretary, Schools Committee, has been requested to effect necessary change in the procedure which she has agreed to do.

(2) The following kinds of defects were found in the School Registers of the Gujarati Girls' Schools :—

M.C.A.4130/II, 22-1-1944.

(*i*) Delay in payment of fees.

(*ii*) Pages in the fee books torn off.

(*ii*) School leaving certificates given without dates.

The Secretary, Schools Committee, has been advised to issue a strict warning to Headmistresses against recurrence of such irregularities in future.

(3) Heavy arrears of fees were noticed in respect of certain Urdu Schools. Reply of the Secretary, Schools Committee, is awaited.

M.C.A.4127/II, 19-1-1944

(4) The fee registers maintained in the Accounts Section of the Schools Committee's Office should in principle be maintained by the Establishment Sections of the respective Superintendents' Departments and be verified by the Accounts Section with the fees received. The Secretary, Schools Committee has been requested to effect necessary change. Reply is awaited.

M.C.A.4126/II, 19-1-1944

(5) The procedure of receiving fees and preparing receipts therefor in the Accounts Branch was found faulty. A proper procedure was therefore, suggested to and adopted by the Secretary, Schools Committee.

M.C.A.3654/II, 14-5-1943 & M.C.A.4126/II, 19-1-1944

B.—Delay in Remittances.

(1) Sale proceeds of application forms for teachers' posts sold on 19th March 1943 and from 23rd to 26th March 1943 payable in the Accounts Branch on 22nd March 1943 and 29th March 1943 were not paid upto 6th April 1943. Explanation of the persons concerned has been called for but no reply has been received uptil now inspite of two reminders.

M.C.A.3661/II, 19-5-1943

(2) In addition to the cases of undue delay in remitting the sale proceeds of sewing articles, as reported to the Standing Committee (*vide* Standing Committee Resolution No. 1013 of 14th October 1942), the following further cases were noticed and pointed out to the Secretary, Schools Committee :—

M.C.A.3780/II, 21-7-1943

Name of the School.	Amount. Rs.	When realised.	Remitted to office on
(*i*) Nagdevi Street Gujrati Girls' School	5 15 0	1941-42.	1-5-1943
(*ii*) New Gopi Tank Marathi Girls' School	1 12 0	November 1942.	30-6-1943
(*iii*) Girgaum Gujrati Girls' School ...	4 0 0	19th and 23rd March 1943.	1-5-1943

C.—Sub-tenants in Arrears.

(1) Four sub-tenants were noticed to have run into arrears from November and December 1942. The Secretary, Schools Committee, reported that necessary recoveries have been made.

M.C.A.3673/II, 24-5-1943

(2) Sakharam Nana Jadhav, a Havildar of the Schools Committee's Office, who was also working as Custodian of the Foras Road Central Marathi Boys' School, retired from Municipal service from 16th December 1943. He however, failed to vacate the premises on retirement although he was asked to do so and continued to occupy the room. The Schools Committee's Office did not recover any rent from him on the ground that he was not allowed by the Committee to occupy the

M.C.A.4093/II, 6-1-1944.

premises. The Secretary, Schools Committee, was requested to recover rent for the period the premises were actually occupied and accordingly recoveries at the rate of Rs. 10 per month are being made (*vide* Schools Committee Resolution No. 1410 of 15th March 1944). The Municipal Commissioner's sanction has also been applied for by the Department for the fixation of the monthly rent, which is awaited.

M.C.A.4020 II
25-11-1943.

(3) Mr. R. B. Badekar, a sub-tenant in the De-Lisle Road B. D. D. Chawls Marathi Boys' School was found to be in arrears of rent for over 5 months from June 1943 and the Schools Committee had under their resolution No. 183 of 12th May 1943 asked him to vacate the premises immediately but he did not do so. At the instance of Audit recovery of Rs. 48 was made from him for the period ending November 1943 and the Schools Committee under their resolution No. 1325 of 26th February 1944 decided to place the case in the hands of the Legal Assistant for ejectment and recovery of rent. Further report of the Secretary is awaited.

M.C.A.1201/II
28-6-1940.

(4) As mentioned in the last audit report rent amounting to Rs. 80 is outstanding from a sub-tenant for the year 1938. As a result of audit reference the Schools Committee filed a suit against him and a decree for the amount due (payable in monthly instalments of Rs. 5) has been obtained.

M.C.A.2206/II
13-8-1941.

(5) As mentioned in the last audit report a sum of Rs. 23-6-0 was due to be recovered from the Akhil Karnataka Sewa Samiti. Inspite of the efforts made by the Secretary, Schools Committee, no recovery could be effected and the amount has been written off with the sanction of the Standing Committee (*vide* Standing Committee Resolution No. 193, dated the 10th May 1944).

M.C.A.1523/II
27-11-1940.

(6) As reported in the previous audit report discrepancies of the following kinds were noticed in the Sub-tenants' Register:—

(*i*) Sanctions of the Schools Committee were not found to have been obtained for 3 sub-lettings.

(*ii*) Some sub-tenants were found to have run into arrears for more than 3 months.

(*iii*) Although a tenancy was noted in the sub-tenants' register no rent was being recovered.

(*iv*) The remarks "vacated" made in the registers were not authenticated and no vacancy reports from the Headmasters concerned were found obtained in some cases.

As a result of audit reference needful has been done.

D.—Excess Accumulations in the funds.

M.C.A.3837/II
20-8-1943

(1) From the examination of the figures of interest earned and the expenditure incurred on the Rahimtulla Currimbhoy Training Institute for Women Scholarhsip Fund it was observed that since 1927-28 a substantial sum of surplus interest was left each year in the Fund. The accumulation on account of such excess interest on 31st March 1943 was Rs. 6,643-11-6. The Secretary, Schools Committee was, therefore, requested to see whether it would be possible to utilise the surplus in furthering the objects of the Fund. The Secretary, Schools Committee, replied that with a view to utilising the accumulated interest the Schools Committee had again approached the Director of Public Instruction to start a 2nd year class at the Municipal R. C. Training Institute. The permission however, has not been granted.

M.C.A.3736/II
30-6-1943

(2) From the figures of realisations from investments and expenditure thereout of the Jivkore Lallubhai Scholarship Fund it was observed that the expenditure was much less than the income realised and the excess income was every year being added to the Corpus of the Fund. A sum of Rs. 4,447-8-0 on account of such excess interest was credited to the Corpus of the Fund during the year. Thus the capital of the Fund has gone beyond all expectations and a very small portion of the income thereof is being utilized. It was therefore, inquired of the Secretary, Schools Committee, whether there was any possibility of changing the terms of the agreement with the consent of the Donors. The Secretary, Schools Committee replied that as the particulars of the Trustees were not available, it was difficult to get the terms changed. The Legal Assistant also opined that the terms could not be changed. In the circumstances, the Secretary, Schools Committee, has been requested to take steps to invest the surplus which is lying in cash in the School Fund.

E.—Government Grant-in-aid to the Training Institutions.

The Government pay an annual grant to the Byculla and Rahimtulla Currimbhoy Training Institutions conducted by the Schools Committee calculated at the rate of one half of the recurring admissible expenditure in the previous year subject to a maximum of Rs. 120 per pupil in average attendance during the year and for the payment of this grant a statement of accounts certified by the Municipal Chief Auditor is required by Government and accordingly, while certifying the accounts of the Institutions for the year 1941-42, it was suggested to the Secretary, Schools Committee, that necesasry adjustments for the proportionate charges on account of rent should be carried out regularly in the accounts of these Institutions in order to enable the Municipality to claim Government Grant on the full expenditure. Acting on this suggestion the Secretary, Schools Committee, has got the rents assessed by the City Engineer and applied for the necessary approval thereto of the Executive Engineer, Presidency Division, Bombay. It is learnt that the certificate from the Executive Engineer has been received only recently by the Secretary, Schools Committee, and the rent certified therein may legitimately be charged in the accounts for 1943-44. I do not think that the Government would now allow any supplementary grant on this account for the previous years.

It is also observed that minor charges such as those for employment of a peon for the classes, etc., were also found omitted from the accounts of the Institutions. It may therefore, be noted that such omissions cause actual loss to the Corporation and should be avoided scrupulously.

M.C.A.2192 II
2-7-1942
&
M.C.A.3746/II
7-7-1943

On going through the details of the Grant-in-aid for the Training Institutions *viz.*, the R. C. Training Institute and Byculla Training Class it was noticed that the nominal rent of Rs. 3,200 for R. C. Training Institution and Rs. 1,800 for Byculla Class which was not taken on the books of accounts, was not admitted for the purposes of the grant by Government.

Recoveries on account of Court attachments are not being made by way of deductions in the pay-sheets but at the time of payment the required amount is withheld and separate receipts passed for the amounts so withheld. The Secretary, Schools Committee, was requested to state why the amounts should not be deducted through paysheets as was done in in all the other departments. She replied that as the Prohibitory orders of the Courts were generally in English, and as many of the Head Masters were not conversant with English, there was possibility of wrong deductions being made, the transfers of teachers and Head Masters from one School to another would cause irregular deductions and that the present system was convenient to the Department.

M.C.A.2876/II
12-6-1942

A sum of Rs. 36-9-0 recovered from the salary of an employee on 15th May 1942 on account of rent to be paid to the Estate Agent and Land Manager, was not remitted to that Officer for about 14 months. As a result of audit reference the amount was paid on 3rd August 1943.

M.C.A.3838/II
20-8-1943

For the sale of miscellaneous articles such as plantains and cocoanuts, sewing and drawing articles, no sanctions were obtained. In certain cases even the permission of the Secretary, Schools Committee, was not obtained. On an audit reference necessary instructions have been issued to the Superintendents concerned.

M.C.A.3579/II
14-4-1943

II.—Statement of recoveries of excess or wrong payments and dues left unrecovered for unduly long periods.

The following cases of excess or wrong payments were noticed and recovered :—

Serial No.	Case No. and date.	Name.	Particulars.	Amount. Rs.	a.	p.
1	MCA/3794/II of 27-7-1943	... Heirs of the deceased Aishabi Zowje Din Mahomed	Excess payment of interest on Municipal contribution for 1942-43 ...	0	8	0
2	MCA/3583/II of 14-4-1943	... Head Master Hindi Training Class.	Price of certain books which were not ordered out but received and others which were not received but which were paid for under a V. P. P. ...	8	8	0
3	MCA/3875/II of 11-9-1943	... Mr. R. K. Mule, Assistant Teacher.	Salary paid at Rs. 39 instead of at Rs. 38 per month ...	2	13	0
4	MCA/3931/II of 29-9-1943	... Gangubai Sinkar ...	Excess payment due to wrong calculation of salary due ...	0	7	0
5	MCA/3856/II of 26-8-1943	... Mr. V. M. Rane, Assistant Superintendent.	Payment of conveyance allowance during leave period which was not admissible ...	10	0	0
6	MCA/3856/II of 26-8-1943	... Mr. M. P. Shah, Superintendent		4	15	0
7	MCA/4009/II of 18-11-1943	... Laxmibai Anandrao Kadam, Assistant Teacher ...	Excess payment of salary due to error in in calculation ...	0	2	0
	MCA/3734/II of 30-6-1943	... Income Tax Office ...	Unrecovered amount of refund of income tax on the dividend of one share of Ahmedabad Mills Ltd., for 3 years ending 31-12-1941 ...	112	7	0
	MCA/3772/II of 14-7-1943	... Mr. Anwar Ahmed Mahomed Yusuf Jafri.	Excess payment in paying the difference in adjusting the salary from 1-6-1932 under old Instalment Promotion Rule No. 4, the salary having been calculated at higher rate through mistake ...	68	0	0
10	MCA/3827/II of 13-8-1943	... Mr. Mahomed Husein Karim Bux.	Grain Compensation Allowance paid at full rate instead of at half rate while on leave on half average pay.	1	10	0
11	MCA/3769/II of 13-7-1943	... Mr. Y. K. Khot, and Tarabai Kashinath Khot.	Claim for compassionate allowance passed for payment in excess, the aggregate service of an employee having been counted in excess by one year	60	0	0
12	MCA/4176/II of 17-2-1944	... Bai Vimalabai Ramchandra Sane	Paid salary for 1 day at full rate instead of at half rate while on leave on half average pay ...	2	9	0
13	MCA/414/II of 27-1-1944	... Sayed Rahmatalli Sayed Mahomed.	Salary for the days of absence which was paid through oversight before the leave was sanctioned	3	4	0
14	MCA/858/II of 23-2-1940	... Mr. J. A. Rene and 9 others ...	Pay drawn while on Military duty in addition to their regular pay ...	81	2	0
15	MCA/4008/II of 18-11-1943	... Mathurabai Pawar ...	Salary and Grain Compensation Allowance drawn for 1 day on 26-6-1943 in addition to receiving stipends ...	1	12	0
16	MCA/4206/II of 29-2-1944	... Mr. A. K. Pratham ...	Recovery of the excess payment of salary and Grain Compensation Allowance for 1 day for which he was granted leave without pay ...	1	9	0
17	MCA/1431/II of 4-10-1940	... Furniture Removing Contractor	Excess amount paid for removing furniture of 2 Schools ...	3	0	0
			Total ...	362	10	0

III.—Extra measures resulting in new recurring and non-recurring commitments.

(1) The grades for Inspectors and Inspectresses of Schools were revised from Rs. 100-5-150+30 Conveyance Allowance to Rs. 125—5—175 *plus* Rs. 30 Conveyance Allowance for trained graduates.

(2) Mr. M. P. Shah, Superintendent, Gujarati Boys' and Hindi Schools on Rs. 240 in the grade of Rs. 225—15—300 was asked to look after the work of Miss. Dallas, Superintendent, Gujrati Girls' School on Rs. 400 in the grade of Rs. 300—20—400 in addition to his own from 21st February 1944 to 31st May 1944 and an officiating allowance of Rs. 100 per month was sanctioned (*vide* Schools Committee Resolution No. 1473 dated the 22nd March 1944). Under Note (*a*) to Rule 56 of the Municipal Service Regulations when a Municipal servant is appointed to look after the work of another post, he is paid 1/10th of the presumptive pay of the 2nd post. The grant of an allowance of Rs. 100 per month is therefore, not in accordance with the Municipal Service Regulations which have been adopted by the Schools Committee and non-observance of the restrictions laid down therein may have the ultimate effect of loosening the control over expenditure which is the main object of the rule.

(3) Out of the unspent balances of grants for the year 1943-44 a sum of Rs. 1,16,900 has been renewed for payment of expenditure incurred during the year 1944-45. From the statement of renewed grants it is observed that the amount of the bills for the articles supplied but not paid during the last year was Rs. 57,510 only and the

balance *viz.*, Rs. 59,390 is in respect of the orders placed but not executed during the last year. It may be remarked that the maintenance grants are given for expenses incurred during the year and therefore charges for articles should be legitimately debited to the grants of the year in which they are received for use although the orders may have been placed during the previous year. The renewal of grant for Rs. 59,390 is, therefore, not in order. The practice of placing orders at the fag end of the year so as to use up the available balances in the grants by renewal in the next year is also not proper.

(4) According to the Schools Committee Resolution No. 670, dated the 16th September 1936, the bus driver and the cleaner on the Schools Committee's Establishment were entitled to draw over-time allowance whenever they were required t o put in extra work. Their normal duty hours were also fixed at 10 hours a day.

M.C.A.3967/II
21-10-1943

On a representation from the driver, however, a duty allowance of Rs. 10 per month has been fixed for him in lieu of the overtime allowance the benefit of which he was unable to reap, as according to the Secretary, Schools Committee, he is called upon to do extra work during office hours by fogoing his lunch time, etc. It may be observed that on a comparison of the duty hours and grades of the bus drivers working under the Mechanical Engineer with those of the Schools Committee's driver, the latter are in no way less favourable than those of the former. The grant of duty allowance which is just like increase in pay is, therefore, extra addition to the expenditure.

IV.—Internal Audit and Control.

(1) Under the Schools Committee Resolution No. 705, dated the 24th September 1937 the sign-boards of the Marathi and Gujarati Schools are required to be repainted in the Khetwady Central School. The Committee have also passed orders that the cost for each sign-board should not exceed Rs. 3. The practice of the teacher-in-charge of the Painting Class is to prefer bills against the Schools Committee at the rate of Rs. 3 per board and the Schools Committee admit the charges. The Secretary, Schools Committee, was requested to submit an account from the teacher showing the cost of materials purchased and the amounts recouped by him from the Schools Committee together with the supporting vouchers.

M.C.A.3996/II
5-11-1943

The account rendered by the teacher was not supported by vouchers and therefore the accuracy thereof cannot be verified. It may be noted that it is not a desirable practice to allow the teacher to purchase materials by himself and to render an account of expenditure which is always pie to pie to the exact amount of the boards painted at Rs. 3 each. The teacher should get the materials from the Controller of Stores who also supplies such materials to the painting shop at the Municipal Workshops and the bills received from the Controller of Stores may then be adjusted against the School Fund. The present practice should cease immediately. No reply is received from the Secretary, Schools Committee.

(2) Two peons, one working in the Schools Committee's Office and the other in a school, have been occupying rooms in Municipal Schools at Rs. 2 per month, while they are being paid the House Rent Allowance of Rs. 4 per month. The Secretary, Schools Committee being informed that it was not correct to fix the rent so low as to allow them to make profit out of the allowance granted to them, sanction of the Schools Committee has been obtained to charge rents in these cases at Rs. 4 each per month (*vide* Schools Committee Resolution No. 291, dated the 4th July 1944).

M.C.A.4175/II of
17-2-1944.

(3) The following discrepancies were noticed in the rent register:—

M.C.A.4040/II
3-12-1943

(*i*) The alterations in the names of landlords or in the rents payable to them were not attested at several places. In certain cases the dates from which the alterations took place were not stated.

(*ii*) There were discrepancies in the names of the landlords as per the rent bills and the rent register.

(*iii*) In the case of buildings owned by charity trusts the names of trustees authorised to sign rent bills were not stated.

(*iv*) In certain cases the sanctions of the Schools Committee were noted in pencil, while in many other cases they were not noted at all.

The Secretary has been requested to do the needful to set-right the discrepancies under items 1 and 4 and for item No. 2. to take proper notes in the register of rents of the agents receiving payments on behalf of the landlords.

As regards item No. 3 the Secretary, Schools Committee, is advised to introduce the system of registering the Trust Deeds showing names of persons authorised to prefer bills and receive rents.

Reply is awaited.

(4) Irregularities of the following kinds were noticed in various bills. The explanation is awaited.

M.C.A.4043/II
6-12-1943

(*i*) Sanctions to quantities and rates of the articles purchased not obtained.

(*ii*) No stock register maintained in Urdu Section.

(*iii*) In the register of Gujarati Girls' Section receipts of articles were not entered but only issues were noted in pencil without initials of the issuing officer and hence no account of receipts, issues and balances was available. Similarly the register of Gujarati Boys' Section also shows only the issues.

(*iv*) In some cases purchases were not made under written orders, and the usual certificates of the actual receipt of articles, rates, etc., were not endorsed on the bills.

(*v*) For purchases exceeding Rs. 3,000 no tenders were invited by public advertisement on analogy of Section 72(1) of the Bombay Municipal Act nor any sanctions were accorded to dispense with this requirement as per Section 72(3) of the Act.

(5) Various irregularities were noticed in the matter of certification and posting of leave to the leave accounts:—

M.C.A.3957/II
15-10-1943

(*i*) The leave accounts were posted before the completion or rather before the commencement of the leave.

(*ii*) As the leave accounts were posted before granting each extension the total continuous period of leave in terms of months and days differed from what it actually should be.

(*iii*) The papers did not show the continuity of record as they were filed separately at the time of each extension.

(*iv*) In the pay-sheets complete remarks about leave were not made.

The Secretary Schools Committee has been requested to do the needful to avoid these irregularities.

M.C.A.3840/II
20-8-1943

(6) A sum of Rs. 21-8-0 recovered from 4 different parties in 1941-42 and noted in the register of recoveries on account of Court attachment was found neither remitted to the Court nor refunded to the parties. On an Audit note, 2 deposits amounting to Rs. 9 have been cleared while the other 2 still remain outstanding.

M.C.A.4032/II
2-12-1943

(7) In several cases of teachers under training, the dates of their joining the Training Colleges as shown in the absentee statement differed from those given in the stipends register. Explanation of the Secretary, Schools Committee is awaited.

M.C.A.3201/II
6-11-1942

It was reported last year that no register of articles was maintained by the Supervisor of Handicrafts. A register has since been opened but the examination showed omission of 42 clocks received by the Schools Committee. The Supervisor explained that the register was opened only for the materials supplied to the Handicrafts Classes.

The Supervisor of Handicrafts was asked to keep a proper register of the articles in stock, the articles purchased and the articles supplied to each School. An explanation for his failure to do so has been called for through the Secretary, Schools Committee but not received till now.

M.C.A.3418/II
12-2-1944

The irregularities in connection with the accounts of the Mominpura Library were reported last year and the explanation called for and received by Audit in connection therewith did not satisfy audit queries. However, the general report made by the Municipal Chief Auditor in connection with the defects and irregularities observed in the Schools Committee's Libraries prior to their transfer under the Commissioner (*vide* Standing Committee Resolution No. 1898, dated the 3rd March 1943) is under the consideration of the Schools Committee who have called for proper explanations from the Supervising Officers of each library.

M.C.A.2778/II
28-4-1942

As reported in the previous audit reports proper account of the sale proceeds of the articles put in the annual exhibitions is not being rendered by the Supervisor of Handicrafts by showing the articles put into exhibition, the articles sold and the articles left unsold. Audit reference sent to the Secretary, Schools Committee, on 28th April 1942 in this connection, is not yet replied to, inspite of six reminders.

M.C.A.2969/II
27-7-1942

As reported last year a standing advance of Rs. 100 granted to the Printing Class Teacher was adjusted on 29th September 1941 by debiting the amount to contingencies, but the vouchers for the expenditure of Rs. 100 were not produced for audit. Although it is now nearly 3 years since the expenditure was booked vouchers requisitioned by Audit are not received. The Secretary, Schools Committee, has been requested to expedite the matter.

M.C.A.3020/II
20-8-1942

As reported last year an advance of Rs. 100 was paid to the Supervisor of Handicrafts on 31st March 1942 and was straightway debited to the grant for 1941-42 although the expenditure for the examination held on 13th April 1942 was incurred in 1942-43.

No reply has yet been received inspite of 5 reminders.

M.C.A.3627/II
6-5-1943

It appeared from the Schools Committee proceedings underlying their resolution No. 43 of 8th April 1942 that a number of books were purchased in excess of the requirement during 1941-42 owing to a set of books being ordered out twice over through mistake. In this connection the register of books in stock was called for from the Superintendent by Audit but it was observed that no register of stock of Urdu books purchased and those received gratis from authors or other institutions was maintained. Besides this, the actual stock taking of the books on hand showed that even after the distribution of prizes for which the books were purchased, the excess number of books was sufficient to serve the requirement of the next year too. The explanations of the persons responsible for the failure to keep proper account and for going in for fresh purchases without acquainting themselves of the books in hand were called for through the Secretary, Schools Committee. No reply is still received even after several reminders.

M.C.A.2599/II
10-2-1942

Some supplementary paybills were passed and paid for by the Secretary's Office without making cross references on the original bills and the supplementary bills in order to prevent a claim being passed second time.

Reply to audit reference is awaited.

M.C.A.3073/II
8-9-1942

As reported last year it was observed that a lady teacher who resigned from Municipal service on 14th March 1942, was charged for the full month of March 1942, in the paybill and was shown as effective in the absentee statement too and although subsequently the payment of the excess charge was withheld and credited back to salaries, her name was continued to be shown in the pay-bills for the months of April and May 1942. The Secretary, Schools Committee, has been written to, to issue necessary instructions and warning to the staff concerned.

M.C.A.2425/II
20-11-1941

As reported last year the Supervisor of Handicrafts makes all purchases of wood required for the Municipal Central Schools direct from the market instead of from the Municipal Central Stores which supplies all kinds of wood to Municipal Workshops and the other Municipal Departments. Reference has been made in this connection to the Municipal Commissioner. Reply is awaited.

M.C.A.4010/II
18-11-1943

The appointment of a peon made in permanent vacancy was without the sanction of the Schools Committee. The matter being referred to the Secretary, Schools Committee, due sanction of the Schools Committee was taken.

The Secretary, Schools Committee, explained that the peon was acting in place of a permanent peon who died and the omission to obtain sanction in time was due to the information regarding his death having been received late from the Superintendent, Urdu Girls' Schools.

A bill pertaining to the year 1940-41 was found paid out of the renewed grant for 1941-42. The Secretary,
M.C.A.3199/II — Schools Committee, explained that the bill for 1940-41 was misplaced and hence the delay
6-11-1942 — in its payment.

The registers of the imprest account and books and dead stock, maintained by the Marathi, Gujarati,
M.C.A.3652/II — Hindi Training Classes and the Rahimtulla Currimbhoy Training Institute were test-checked.
13-5-1943 — Irregularities of the following kinds were noticed :—

(*a*) *Imprest Accounts.*—(1) No vouchers for sums below Rs. 0-8-0 were prepared. (2) Almost after every 3 days chalk sticks worth Rs. 3 were purchased for the Marathi Training Class. (3) The imprest account book of the Gujarati Training Class was not properly closed and signed at the end of the month. The Head Master was keeping a rough note book and was writing only the summary thereof in the imprest book. (4) In the imprest account books of the Hindi Training Class and the R. C. Training Institute the opening balances and recoupments were not recorded, vouchers were not serially numbered and were not defaced with "Paid" stamp.

(*b*) The registers of books of the Gujarati Training Class and the Rahimtulla Currimbhoy Training Class were not found written up properly in detail.

(*c*) The register of dead stock of the Rahimtulla Currimbhoy Training Institute was found incompletely written up.

As a result of audit reference the Secretary, Schools Committee, issued necessary instructions to set right the matter.

The irregularities found in the accounts of the binding class were reported last year. The Secretary,
M.C.A.1042/II — Schools Committee, has since reported that the audit suggestions for putting the accounts
19-4-1940 — on proper lines were considered and necessary instructions were issued to the staff concerned.
& — Reply to further reference made in this connection to the Secretary, Schools Committee, is
M.C.A.2777/II — awaited.
28-4-1942

A Sub-tenant in the Lower Parel Gujarati Boys' School was found to have paid the rent only upto Sep-
M.C.A.4140/II — tember 1943 and although a remark 'vacated' was made in the demand register no date of
27-1-1944 — vacancy or attestation were found therein. On an audit query the Secretary, Schools Committee, reported that the premises were vacated in November 1942, but no report of its vacancy having been received from the Head Master, the office continued to recover the rent upto September 1943. It is surprising to note that the Sub-tenant who vacated the premises in November 1942 continued to pay rent to the Schools Committee till September 1943. The party now appears to have demanded a refund for the excess amount paid.

Discrepancies of the following kinds noticed in the miscellaneous bills paid from August to October 1940
M.C.A.1536/II — were referred to the Secretary, Schools Committee, who has done the needful to set them right,
29-11-1940 — wherever it was possible to do so :—

(1) Bills for periodicals passed without the necessary certificates of their receipts etc., by the librarians.

(2) Approval of the Chairman, Schools Committee, found wanting on 2 bills amounting to Rs. 220.

(3) Acquittance rolls for payment of stipends not obtained.

(4) Excess payment of Rs. 4-8-0 to the Furniture Removing Contractor.

(5) A duplicate bill passed for payment without the necessary certificate that the original was not passed previously.

The bills passed under voucher No. 1935 of 13th November 1941 included some duplicate bills without
M.C.A.2458/II — necessary certificates that the originals were not passed previously. There was also no certi-
2-12-1941 — ficate of the receipt of atricles for which the bills were paid. It was also observed that the office did not maintain a register showing sanctions, orders and the bills paid thereagainst as a safeguard against the same bills being passed twice over. As a result of audit reference, the Secretary, Schools Committee, has done the needful.

Due to non-payment of the electric bills for the Zaoba's Wadi Marathi Boys' School, the current was
M.C.A.3021/II — cut off by the B. E. S. & T. Co., and for reconnecting it a charge of Rs. 12 had to be paid by
20-8-1942 — the Schools Committee. The question of responsibility of the persons concerned being referred to, the Secretary, Schools Committee, replied that the bill clerks of the accounts section had been since instructed to observe closely the register maintained by them, to note the payments of bills and call for the bills when not received.

The following irregularities were noticed in the Census Bills passed for payments :—
M.C.A.4128/II
19-1-1944

(1) Unpaid amounts of the bills were found detained in the office of the Special Attendance Officer for about 10 days instead of their being returned to the office after 2 days. The Secretary, Schools Committee, has since warned the employees concerned.

(2) The grant of Rs. 120 sanctioned by the Schools Committee for contingent expenses was found supplemented by Rs. 20 by the Secretary, Schools Committee. As the grant sanctioned by the Schools Committee, could only be increased by the Committee, the Secretary, Schools Committee, was requested to obtain formal sanction of the Schools Committee which was done (*vide* Schools Committee Resolution No. 1363 of 1st March 1944).

(3) The Census Staff was found to have been paid annas two each for stationery. It is suggested to the Secretary, Schools Committee, that it would be more economical to requisition the required quantity of stationery from the Municipal Contractors and to distribute it to the staff according to requirement before they start the work.

Two acting peons were charged for the full number of days for August 1943 in the pay-sheets of two
M.C.A.3995/II — different schools. After submission of the pay-sheets to office for payment, they were
5-11-1943 — relieved from service, before the close of the month. Such changes are required to be communicated to the office in the effective certificates to enable the office to withhold payment to the persons concerned in time. The Head Mistresses concerned, whose duty it was to show the changes in effective certificates failed to do so for which their explanations were called for. One of them explained that

she forgot to report about the change while the other pleaded ignorance of the procedure. As such omissions are generally the cause of excess payments the procedure laid down for the preparation of bills and payment thereof should be strictly followed.

M.C.A.3376/II
11-9-1943.

Deductions wrongly made from employees during the past years on account of income tax were found lying in the School Fund. A reference being made to the Secretary, Schools Committee, they were credited to the Municipal Fund as the persons to whom the recoveries belonged had since retired or had left service.

M.C.A.1113/II
13-5-1940
M.C.A.4118/II
18-1-1944
M.C.A.4234/II
31-3-1944
M.C.A.3874/II
11-9-1943
M.C.A.3543/II
24-3-1943
&
M.C.A.3611/II
30-4-1943

In a number of cases it is observed that on the authority of the Schools Committee Resolutions sanctioning funds on the rough estimates of quantities and rates supplied by the Secretary, Schools Committee, the purchases of various kinds of articles are made by the office of the Secretary, Schools Committee. It may be observed that the sanction of funds by itself is no sanction for the quantities and rates of purchases. In such cases regular quotations for definite quantities should be invited and put before the Schools Committee showing the total cost thereof for sanction. This requirement being pointed out to the Secretary, Schools Committee subsequent sanctions of the Schools Committee were obtained in individual cases. It is however, desirable to set up a proper procedure in the matter of purchases so as to avoid going over twice to the Committee.

M.C.A.3732/II
30-6-1943

The Head Mistress of Khetwadi Gujarati Girls' School was paid through the usual monthly pay-bill her full salary for April 1943 although she was on leave from 28th April 1943 to 2nd May 1943. To an audit query the Secretary, Schools Committee, replied that the Heads of schools were authorised to remain on casual leave upto two days at a time and therefore she was taken to be on casual leave on the 28th and 29th April 1943. On 30th April she was present but had left the school in the afternoon and hence her absence from 28th April 1943 to 2nd May 1943 was counted as continuous. In this connection it was observed by Audit that it was not a sound practice to authorise employees themselves to take casual leave. The Schools Committee have however, decided to continue the practice. (*Vide* their Resolution No. 955 of 1st December 1943).

M.C.A.3966/II
21-10-1943

It was noticed that the advances given to the local committee clerks for contingent expenses were wrongly debited in the year 1927-28 to the expenditure of that year instead of to the advance account. Thus the books of the School Fund did not show these advances although the sums were in the hands of the clerks. This discrepancy appears to have been detected by the Secretary, Schools Committee's office in 1943-44 and set right by debiting the advance account and crediting the expenses account of that year. It may be observed that audit has set up a practice of calling for annual certificates for the standing advances in the hands of different officers and departments of the Municipality but the office of the Secretary, Schools Committee, did not send any certificate for the amounts in the hands of the committee lcerks. To an audit query the Secretary, Schools Committee, explained that as the amounts were written off to expenditure the certificates remained to be demanded and submitted to audit in the past.

It may be remarked that the certificates are called for from the officers and the departments to avoid such errors and omissions and therefore should be called upon to submit independently the certificates of the amounts in their hands and such certificates when received should be compared with the registers.

M.C.A.3731/II
30-6-1943

An Assistant Lady teacher was charged for the full month of March 1943, but as she was absent from 29th March 1943 necessary remark was made in the effective certificate. The remark in the effective certificate escaped notice of the pay and audit clerk with the result that the teacher was paid for the days of absence although the leave was not sanctioned. Subsequently the teacher was granted leave on average pay for the period and hence there was no question of recovery. It may, however, be observed that if the effective certificates were carefully scrutinised before making payments such irregularities would not occur.

M.C.A.3583/II
14-4-1943

On going through the papers regarding the payment of Rs. 69-2-3 under voucher No. 2831 of 15th Januray 1943, in connection with a V. P. for certain books received from a dealer outside Bombay it was observed that some books which were not required or ordered out by the Schools Committee's Office were received and paid for. A reference being made to the Secretary, Schools Committee, in this connection extra payment of Rs. 8-8-0 made to the dealer on account of these books has been recovered.

M.C.A.3733/II
30-6-1943

In the pay-bill passed under voucher No. 35 of 6th April 1943 the amount of the salaries was shown less by Re. 1 due to a mistake in totals. The mistake was compensated by a similar mistake in the figure of provident fund.

It may be observed that such compensating errors would not remain undetected in the checking stage of the pay-sheets unless the person responsible for checking them is in the habit of omitting independent checking of each column of the pay-sheets and summaries thereof.

M.C.A.3566/II
8-4-1943

As already observed in the previous year's report the accounts of advances forwarded by the officers were not placed before the Secretary, Schools Committee for approval. It was also noticed that articles worth about Rs. 902-4-0 were purchased without putting any written orders with the dealers. The matter was referred to the Secretary, Schools Committee, who replied that instructions were given to the officers concerned that the requirements should be carried out in future.

M.C.A.3675/II
25-5-1943

No account was being maintained of the cheque books brought from the Bank and issued, so as to have a check over the cheque books on hand. On an audit reference needful was done.

M.C.A.3581/II
14-4-1943
&
M.C.A.3992/II
5-11-1943

Amounts of Rs. 180 and Rs. 210 were remitted to Training Colleges under vouchers Nos. 3046 of 10th February 1943 and 62 of 10th April 1943 respectively for payment of stipends to teachers under training but their acknowledgments were not obtained till 14th April 1943 and 5th November 1943 respectively. Needful was done on reference by audit.

As mentioned in the last year's report a separate report was made by the Municipal Chief Auditor to the Standing Committee on the excess payment of Rs. 955 on account of the provident fund advance made to a teacher by the Schools Committee's Office. (*Vide* Standing Committee Resolution No. 261 of 20th May 1942).

M.C.A.2828 II
14-5-1942

The Schools Committee in the first instance fined the teacher Rs. 10 for his failure to report the mistake committed by the office to his superior officers. The fine was duly recovered and then on reconsideration it was condoned and refunded to the teacher. The Standing Committee referred the question back to the Schools Committee thrice over for reconsideration of the question of taking disciplinery action against the persons responsible for the payment but the Schools Committee having adhered to their former decision that no further action was necessary, the matter was recorded by the Standing Committee (*vide* Standing Committee Resolution No. 1520 of 27th December 1943) and by the Corporation (*vide* Corporation Resolution No. 877 of 13th January 1944).

V.—Non-observance of the Municipal Service Regulations.

An assistant teacher of the Bhuleshwar Central Gujarati School was reported to be working as a Revenue and Police Patel in Nadiad Taluka while on leave without sanction of the Schools Committee. He had also drawn salary from the Municipality for the period from 1st April 1943 to 30th June 1943 and from 3rd August 1943 to 7th August 1943, and was treated as relieved from Municipal service from 8th August 1943. A Municipal Servant cannot draw remuneration from both these sources at a time. In reply to audit query it was explained that the office of the Secretary, Schools Committee, had no knowledge that the employee had taken up service under the Government, and that a proposal had since been made to the Schools Committee to recover the payment from the provident fund of the employee concerned.

M.C.A.3990/II
5-11-1943

A further report from the Secretary, Schools Committee is awaited.

A case was noticed where an acting person was paid before the question of the absence of permanent incumbent in whose vacancy he was appointed to act was decided. Three other cases were also noticed where persons were appointed to act during vacation in place of permanent incumbents who were to be treated as on duty during that period under Rule 97(*b*) of the Municipal Service Regulations.

M.C.A.467/II
20-7-1939

The matter being referred to the Secretary, Schools Committee, she has issued necessary instruction to stop these irregular practices.

Under Rule No. 9(*a*)(*i*) of the Municipal Service Regulations no person who has already completed 6 months' service in the Municipality is to be continued in such employment etc., unless he produces a medical certificate of fitness. Mr. P. D. Patil had not produced such a certificate though he was appointed as full time drawing teacher from 1-12-1942. On a reference from audit on 6-1-1944, necessary certificate was obtained.

M.C.A.4094/II
6-1-1944

The security of Rs. 2,000 fixed for the Cashier's post in the Schools Committee's office seemed inadequate in view of the fact that he had to keep in his hands the average daily cash balance of about Rs. 5,000. As a result of a note to the Secretary, Schools Committee, the amount of security was increased to Rs. 3,000 *vide* Corporation Resolution No. 207 of 14-6-1943, which the Cashier has since furnished.

M.C.A.3048/II
31-8-1943

As reported in the previous audit report the security of Rs. 250 fixed for the teacher-in-charge of the Schools Committee's Printing Press (*vide* Corporation Resolution No. 902 of 7-1-1943) at the instance of audit had not been furnished. As a result of reminders necessary security was at last furnished on 5-7-1943.

M.C.A.1701/II
18-2-1941

VI.—General.

In the year 1927 the instalment promotion rules were modified by the Schools Committee (*Vide* Schools Committee Resolution No. 198 of 8-7-1927). It was then stipulated that the teachers would get benefit of the instalment promotion system if they passed the higher training examination within five years from the date of their modification *i.e.*, before 1-4-1932. In one case a head mistress took up the course of training for the 2nd year and passed it after 1-4-1932 and yet she is being granted the benefit of the instalment promotion rules as a 2nd year trained teacher.

M.C.A.4142/II
27-1-1944

In this connection it may be observed that the Schools Committee submitted a list of certain teachers to the Corporation and obtained their approval for giving them the benefit of the old instalment promotion Rule No. 4 in terms of the aforesaid Resolution of the Schools Committee of 1927. In this list this particular lady was shown as entitled to the benefit of the promotion rules as a first year trained teacher. However, subsequently the Schools Committee under their Resolution No. 1309 of 10-2-1943 decided to give the benefit as a 2nd year trained teacher and paid her the difference in salary after obtaining additional grant with the sanction of the Corporation. The fact that the teacher was proposed to be granted benefit in the 2nd year trained teachers' grade as a special case was not specifically put before the Corporation for modification of their previous resolution, according to which the lady was entitled only to the benefit as a first year trained teacher. In reply to audit query the Secretary, Schools Committee, argued to say that the sanction of the Corporation to an additional grant was as good as a sanction or approval to the payment of the benefit to the lady as a 2nd year trained teacher.

It may be remarked that although the Schools Committee are endowed with full powers to determine the salaries of the teachers, the audit cannot look with equanimity on this question as there may be many more teachers who may have taken up the course of training and passed it after 1-4-1932, and are drawing this salary in the time scales according to the modified rule.

Under Schools Committee Resolution No. 563 of 11th August 1943, Mr. K. V. Chaughule was appointed as a full time Music Teacher and it was laid down that the conveyance allowance should be paid to him if and when he was asked to work in more than one school. As Mr. Chaughule had drawn conveyance allowance from 31st August 1943 to 30th September 1943 the Secretary, Schools Committee, was requested to state whether Mr. Chaughule had been asked to work regularly in any other school and whether his attendance in that school was properly recorded and certified by the Head of the School for charging Rs. 10 as conveyance allowance. Reply from the Secretary, Schools Committee is awaited.

M.C.A.4012/II
22-11-1943

The Schools Committee make purchases of large quantities of clothing required for the School Peons. Clothing of about Rs. 1,000 required for the Boy Scout Department annually is also purchased by the Committee directly.

M.C.A.3926/II
27-9-1943

The Municipal Commissioner was, therefore, requested to consider the feasibility of including all items of clothing required annually by the Schools Committee in the General contract for the supply of clothing and to settle the matter in consultation with the Secretary, Schools Committee.

No reply has yet been received.

M.C.A.3781/II
21-7-1943

In reply to an audit note issued in 1941, the Secretary, Schools Committee, stated that the work of printing and binding that was being done at the Schools Committee's Printing Press had since been stopped. She was therefore, requested to send a list of machinery and dead stock articles of the Press and to state what was proposed to be done with the machinery and the deadstock articles. The question being put before the Schools Committee, by the Secretary they have requested her to report whether the articles could be made use of by the Schools Committee in one way or the other. Reply is still awaited.

M.C.A.3700/II
14-6-1943

It appeared from the Schools Committee Resolution No. 202 of 12th May 1943 that the Schools Committee were carrying out the work of inspection of the Primary Sections of the English Teaching Schools on behalf of the Government. It was, therefore, enquired of the Secretary, Schools Committee, why all expenses in respect of the salary of staff etc., incurred in connection with the work be not recovered from the Government. The Secretary placed the matter before the Schools Committee who under their resolution No. 386 dated the 21st July 1943, resolved that such expenses be recovered from the Government and have written to the Corporation to represent to Government to contribute towards the additional expenditure incurred by the Schools Committee in carrying out this function. Result is awaited.

M.C.A.2469/II
3-12-1941
&
M.C.A.3003/II
7-8-1942

A sum of Rs. 40 spent for free suppply of clothes to poor pupils attending Municipal Schools was held to be illegal (*vide* Standing Committee Resolution No. 925 of 25th October 1941). It was also noticed that a further expenditure of Rs. 57-9-0 was sanctioned by the Schools Committee under their resolution No. 1798 of 25th March 1942 and paid for under voucher No. 3833 of 31st March 1942.

The Secretary, Schools Committee explained that this expenditure was incurred before the Schools Committee was apprised of the orders of the Standing Committee, that this class of expenditure was illegal. The payment of this bill which would have been made in the ordinary course in May 1941 was delayed due to the bill having been misplaced and therefore it was sanctioned and was paid on 31st March 1942.

M.C.A.3023/II
20-8-1942

On enquiry as to the cause for the payment of wharfage of Rs. 7-10-0 under voucher No. 3377 of 12th March 1942 it was explained that it was for a Railway parcel of 50 copies of the magazine "Anand" which had some how remained undelivered at the Railway Office for some months and which parcel was misunderstood by the person, who was sent to receive the same, as a parcel of forms urgently required from Yerwada Prison Press. As there appeared to be no remedy to the case after payment, the payment was sanctioned.

M.C.A.1431/II
4-10-1940

A case was reported during the previous 2 years wherein an order was placed with a Furniture Removing Contractor to remove furniture of a school although the furniture had already been removed previously and the contractor had to be paid Rs. 4. There was also an excess payment of Rs. 3 to the Contractor, which has since been recovered but no reply to audit query is yet received.

M.C.A.2394/II
12-11-1941

In one case the salary of a custodian was withheld for an alleged theft of certain gymnastic articles from the compound of the Schools and subsequently paid. The Secretary, Schools Committee, was therefore, requested to state whether the missing articles had been received back. No reply is received inspite of 5 reminders.

M.C.A.3649/II
11-5-1943

Messrs. Shivlal Chimanlal were entrusted with the work of removing shahabad stones from the compound of the Byculla Marathi Boys' School. It was enquired of the Assistant Engineer (Architect) as to where the slabs had been removed and to what head of account the credit was given. The reply received showed that the slabs had been stacked in the compound of the DeLisle Road Central School. The Secretary, Schools Committee, informed the Assistant Engineer (Architect) that the stones may be used for some other Municipal work and credit be given to the School Fund.

Final disposal of the matter is awaited.

M.C.A.3646/II
11-5-1943

The City Engineer was entrusted with the work of cutting down trees in the compounds of the different school buildings and the bills therefor amounted to Rs. 104-10-0. As however, no credit was found to have been given to the School Fund for the disposal of the wood enquiry was made with the City Engineer who stated that credit to the extent of Rs. 13-9-0 would be given to the School Fund for the wood used by his Department on the works.

As the credit proposed to be given is very meagre as compared with the cost of cutting of the wood the City Engineer was requested to forward reports of the inspectors under whose supervision the work of cutting the trees was done. The reports received from him show that in two cases the wood was left in charge of the Head Masters of the Schools and in three cases the papers are not traceable. It is a matter for further inquiry by the Secretary, Schools Committee, what the Head Masters did with the wood in the three cases where the papers are not traceable.

M.C.A.3782/II
21-7-1943

Since the year 1938-39 the Municipal Chief Auditor has been insisting upon the Schools Committee to show the rents of school buildings constructed at Municipal cost in the expenditure of the School Fund. (See annual reports from the year 1938-39 onwards) and accordingly the Schools Committee under their resolution No. 1332 of 22nd December 1941 have directed Superintendent of Accounts to show the rent of buildings on the expenditure side of the School Fund Budget. It appears however, that the proposal of fixing nominal rents of the School buildings constructed at Municipal cost, which was referred to the Corporation was mixed up later on with the question of forming a scheme for the construction of school buildings in the City in Co-operation with the Government. The latter question is however, held in abeyance under Corporation Resolution No. 1119 of 9th March 1942, as recommended by the Law, Revenue and General Purposes Committee under their resolution No. 167 of 5th February 1942, on the ground that in view of the prevailing abnormal time due to war it is not advisable to approach Government for a grant for construction of school buildings.

The Secretary, Schools Committee, has however, been again advised to take up the question of fixing nominal rents and do the needful early to show the expenditure on account of the rents in the accounts of the School Fund.

VII.—Reports submitted to the Standing Committee.

M.C.A.3890/II
15-9-1943

As reported to the Standing Committee (*vide* Standing Committee Resolution No. 1719 of 2nd February 1944) the Schools Committee had decided to pay the rent to a landlady for the months of December 1942 to June 1943 at the rate of Rs. 25 per month although the premises were vacated on 30th November 1942 and the landlady was asked to take possession thereof. The procedure adopted by the Schools Committee to pay rent for the period during which the premises were not in their possession was disapproved by the Standing Committee and the Corporation (*vide* Standing Committee Resolution No. 1719 of 2nd February 1944 and Corporation Resolution No. 1197 of 13th March 1944). The Schools Committee have accordingly withdrawn their orders to pay the rent for the period (*vide* their resolution No. 23 of 26th April 1944).

M.C.A.3460/II
25-2-1943

As reported last year a reference has been made to the Standing Committee on the irregularities observed in the accounts of the libraries which were till the year 1942-43 under the control of the Schools Committee. The Standing Committee have called for the remarks of the Schools Committee (*vide* Standing Committee Resolution No. 1898 of 3rd March 1943) who have requested their Secretary to obtain necessary explanations from the Supervising Officers and from the Librarians concerned and the report of the Secretary, Schools Committee, thereon is under the consideration of the Schools Committee.

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1943-44.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total	Infants.	Other standards.	Total									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st March 1943.															
Marathi Schools	13,976	31,997	45,973	233	914	1,147	1,611	426	1,185	...	1,185	38	...	45	
Gujarati Schools	4,064	7,233	11,297	88	207	295	399	85	314	...	314	19	...	50	
Urdu Schools	6,890	8,205	15,095	115	205	320	381	51	330	...	330	10	...	32	
Rest	1,321	1,969	3,290	21	50	71	119	37	82	...	82	11	...	6	
Total ...	26,251	49,404	75,655	457	1,376	1,833	2,510	599	1,911	...	1,911	78	...	133	
As on 1st April 1943.															
Marathi Schools	14,116	32,163	46,279	235	919	1,154	1,605	426	1,179	...	1,179	25	...	90	
Gujarati Schools	4,069	7,262	11,331	68	208	276	399	84	315	...	315	39	...	31	
Urdu Schools	7,035	8,111	15,146	117	203	320	385	51	334	...	334	14	...	38	
Rest	1,301	1,936	3,237	22	48	70	117	37	80	...	80	10	...	8	
Total ...	26,521	49,472	75,993	442	1,378	1,820	2,506	598	1,908	...	1,908	88	...	167	
As on 1st May 1943.															
Marathi Schools	13,900	27,068	40,968	232	677	909	1,602	218	1,384	...	1,384	475	...	19	
Gujarati Schools	4,057	6,044	10,101	68	151	219	398	75	323	...	323	104	...	7	
Urdu Schools	6,918	7,923	14,841	173	198	371	386	52	334	...	334	...	37	30	
Rest	1,324	1,736	3,060	22	44	66	117	37	80	...	80	14	...	3	
Total ...	26,199	42,771	68,970	495	1,070	1,565	2,503	382	2,121	...	2,121	593	37	59	
As on 1st June 1943.															
Marathi Schools	All the Municipal Schools were closed in the month of May 1943.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st July 1943.															
Marathi Schools	12,532	37,362	49,894	208	934	1,142	1,595	324	1,271	...	1,271	129	...	77	
Gujarati Schools	3,341	8,615	11,956	56	215	271	396	104	292	...	292	21	...	19	
Urdu Schools	5,786	9,452	15,238	145	236	381	381	98	283	...	283	...	98	28	
Rest	844	2,434	3,278	14	60	74	116	38	78	...	78	4	...	5	
Total ...	22,503	57,863	80,366	423	1,445	1,868	2,488	564	1,924	...	1,924	154	98	129	
As on 1st August 1943.															
Marathi Schools	13,944	39,573	53,517	233	989	1,222	1,586	352	1,234	...	1,234	12	...	80	
Gujarati Schools	3,970	9,101	13,071	66	228	294	396	107	289	...	289	...	5	20	
Urdu Schools	6,398	9,800	16,198	159½	245½	405	435	105	330	...	330	...	75	37	
Rest	1,066	2,485	3,551	18	62	80	144	68	76	...	76	...	4	4	
Total ...	25,378	60,959	86,337	476½	1,524½	2,001	2,561	632	1,929	...	1,929	12	84	141	
As on 1st September 1943.															
Marathi Schools	16,457	40,640	57,097	274	1016	1,290	1,593	360	1,233	...	1,233	...	57	71	
Gujarati Schools	4,584	9,396	13,980	76	235	311	399	108	291	...	291	...	20	...	
Urdu Schools	6,989	9,623	16,612	175	241	416	453	107	346	...	346	...	70	34	
Rest	1,352	2,559	3,911	22	63	85	146	70	76	...	76	...	9	3	
Total ...	29,382	62,218	91,600	547	1,555	2,102	2,591	645	1,946	...	1,946	...	156	108	
As on 1st October 1943.															
Marathi Schools	16,441	40,569	57,010	274	1,014	1,288	1,641	360	1,281	...	1,281	...	7	90	
Gujarati Schools	4,511	9,417	13,928	75	236	311	415	108	307	...	307	...	4	24	
Urdu Schools	6,915	9,480	16,395	173	237	410	465	107	358	...	358	...	52	35	
Rest	1,378	2,551	3,929	23	63	86	157	70	87	...	87	1	...	6	
Total ...	29,245	62,017	91,262	545	1,550	2,095	2,678	645	2,033	...	2,033	1	63	155	

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1943-1944.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st November 1943.															
Marathi Schools	21,122	40,593	61,715	352	1,015	1,367	1,641	364	1,277	...	1,277	...	90	86	
Gujarati Schools	4,855	9,424	14,279	81	236	317	414	108	306	...	306	...	11	23	
Urdu Schools	7,478	9,398	16,876	187	235	422	464	108	356	...	356	...	66	38	
Rest	1,675	2,583	4,258	28	64	92	158	69	89	...	89	...	3	6	
Total ...	35,130	61,998	97,128	648	1,550	2,198	2,677	649	2,028	...	2,028	...	170	153	
As on 1st December 1943.															
Marathi Schools	22,435	40,088	62,523	374	1,002	1,376	1,677	363	1,314	...	1,314	...	62	103	
Gujarati Schools	5,151	9,387	14,538	86	235	321	417	108	309	...	309	...	12	38	
Urdu Schools	7,812	9,187	16,999	196	229	425	487	107	380	...	380	...	45	36	
Rest	1,728	2,596	4,324	29	65	94	164	72	92	...	92	...	2	6	
Total ...	37,126	61,258	98,384	685	1,531	2,216	2,745	650	2,095	...	2,095	...	121	183	
As on 1st January 1944.															
Marathi Schools	19,278	40,021	59,299	321	1,001	1,322	1,636	360	1,276	...	1,276	...	46	111	
Gujarati Schools	5,665	9,401	15,066	95	235	330	417	109	308	...	308	...	22	34	
Urdu Schools	7,918	9,061	16,979	198	226	424	485	107	378	...	378	...	46	45	
Rest	1,815	2,702	4,517	31	67	98	165	71	94	...	94	...	4	4	
Total ...	34,676	61,185	95,861	645	1,529	2,174	2,703	647	2,056	...	2,056	...	118	194	
As on 1st February 1944.															
Marathi Schools	26,062	39,747	65,809	406	994	1,400	1,740½	360	1,380½	...	1,380½	...	19½	94	
Gujarati Schools	5,945	9,410	15,355	99	236	335	430	109	321	...	321	...	14	38	
Urdu Schools	8,317	8,957	17,274	208	223	431	492	107	385	...	385	...	46	53	
Rest	1,959	2,709	4,668	33	69	102	166	71	95	...	95	...	7	3	
Total ...	42,283	60,823	1,03,106	746	1,522	2,268	2,828½	647	2,181½	...	2,181½	...	86½	188	

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. M.C.A. 318 IV of 1944-45.

BOMBAY, *5th October 1944*.

FROM

R. C. MEHTA, Esquire, F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

RE—OUTSTANDING BALANCES OF RATES AND TAXES ON 31ST MARCH 1944.

Sir,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879 and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal rates and taxes, Additional General (Riot) Taxes, Urban Immovable Property Tax, Street Number Plates and Meter Hire, which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1944. The details of the outstanding amounts from year to year pertaining to different Wards are given in the Statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1944 under different heads are summarised below:—

Particulars.	No. of bills.	Amount.	REMARKS.
		Rs. a. p.	
(*a*) Property taxes including Wheel Tax.	21,821	25,48,866 6 3	Exclusive of Urban Immoveable Property Tax amounting to Rs. 7,71,210-3-6.
(*b*) Meter Hire ...	130	3,621 0 0	
(*c*) Street Number Plates ...	38	70 0 0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	...	2,86,494 1 0	
(*e*) Additional General Tax No. V.	143	6,268 8 0	
(*f*) Additional General Tax No. VI.	5	60 13 0	
(*g*) Additional General Tax No. VII.	28	103 1 0	
(*h*) Additional General Tax No. VIII.	3	28 9 0	
(*i*) Additional General Tax No. X.	244	25,767 11 0	
(*j*) Additional General Tax No. XI.	16	87 4 0	
(*k*) Additional General Tax No. XII.	92	2,439 4 0	
(*l*) Additional General Tax No. XIII.	11	519 6 0	
(*m*) Additional General Tax No. XIV.	60	101 12 0	
(*n*) Additional General Tax No. XV.	268	3,275 10 0	
(*o*) Urban Immoveable Property Tax ...	*	7,71,210 3 6	*The bills outstanding for Urban Immoveable Property Tax are included in the number of bills shown under Item (*a*) above.
Total ...	22,859	36,48,913 8 9	

(2). The outstanding balances under (*a*), (*b*), (c) and (*d*) above as compared with those of the previous year were as follows :—

No.	Particulars.	Outstanding on 31st March 1943.	Outstanding on 31st March 1944.
		Rs. a. p.	Rs. a. p.
1	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	14,37,321 7 10	2,86, 494 1 0
	(*b*) Government (Property Taxes) ...	1,04,248 4 0	87,908 10 0
2	Bombay Port Trust ...	876 13 0	27,443 10 0
3	Bombay Municipal Corporation (Improvements) ...	12 624 5 0	61,659 12 0
4	G. I. P. Railway ...	18,862 13 0	47,883 2 0
5	B. B. & C. I. Railway ...	84,269 3 0	90,052 2 0
6	Mills ...	4,285 8 0	1,68,957 10 0
7	Other ratepayers ...	21,57,327 4 3	20,64,961 8 3
	Total Rs. ...	38,19,815 10 1	28,35,360 7 3
8	Meter Hire ...	2,875 12 0	3,621 0 0
9	Street Number Plates ...	327 8 0	70 0 0
	Grand Total Rs. ...	38,23,018 14 1	28,39,051 7 3

1. (*a*) The sum of Rs. 2,35,494-1-0 represents amount payable by Government for the period from 1934-35 to 1943-44 in respect of Military and Police Hospitals.

During the year, the sum of Rs. 11,77,677-10-0 payable by the Government for the period 1934-35 to 1942-43 in connection with certain Government Medical and Educational Institutions has been treated as cancelled as they were exempted from payament of General Tax as per the High Court decision, dated the 17th March 1943.

(*b*) This amount is in respect of Water & Special Halalkhore charges for Government properties covered by the award.

2. The sum of Rs. 27,443-10-0 is in respect of the Special Halalkhore Tax and the Water Charges.

3. The taxes amounting to Rs. 61,659-12-0 due by the Bombay Municipal Corporation (Improvements) is a matter of departmental adjustment which should have been effected before closing the accounts.

4. Out of the amount of Rs. 47,883-2-0 a sum of Rs. 32,519-6-0 has been received and the balance of Rs. 15,363-12-0 is outstanding due to some dispute regarding water charges.

5. Out of the sum of Rs. 90,052-2-0, an amount of Rs. 53,196-2-0 has been collected leaving a balance of Rs. 36,856-0-0 as outstanding. However, from these outstandings of Rs. 36,856-0-0, the dispute has been settled in respect of a sum of Rs. 35,881-1-0, leaving still a balance of Rs. 974-15-0 under dispute.

6. Out of the outstandings of Rs. 1,68,957-10-0, Rs. 84,858-4-0 have been collected and Rs. 63,932-5-0, received on account and held in deposit, are to be adjusted after the disposal of complaints.

7. The outstandings of Rs. 20,64,961-8-3 from the general rate-payers consist of Rs. 1,50,000-0-0 involved in suits filed and to be filed, Rs. 87,000-0-0 due from the Court Receiver and the Official Assignee and Rs. 10,50,000-0-0 for amended bills issued in March 1944, and the balance of Rs. 7,77,961-8-3 which is 3.02 per cent. of the demand of about Rs. 2,58,00,000 is explained by the Assessor & Collector as falling within the control of the staff.

(3) Number of bills and amounts outstanding on account of Property and Wheel Taxes from year to year were as under :—

Year.	No. of Bills.	Outstanding on 31st March 1943.	No. of Bills.	Outstanding on 31st March 1944.
		Rs. a. p.		Rs. a. p.
1926-27	2	1,520 10 0	2	1,520 10 0
1927-28	~	2,273 2 0	2	2,273 2 0
1928-29	...	...	...	...
1929-30	...	...	...	...
1930-31	6	630 7 0	4	392 10 0
1931-32	12	4,440 6 0	4	462 10 0
1932-33	39	11,381 6 0	16	1,940 8 0
1933-34	55	17,065 10 0	24	2,613 13 0
1934-35	74	18,818 13 0	33	3,568 12 0
1935-36	94	30,300 11 0	44	5,389 4 0
1936-37	171	32,629 5 0	58	4,717 12 0
1937-38	227	29,767 2 0	83	6,597 15 0
1938-39	358	38,552 7 0	126	11,577 4 0
1939-40	609	50,275 8 6	219	19,318 13 0
1940-41	1,036	91,882 14 6	334	29,664 3 0
1941-42	1,822	1,99,901 11 0	498	43,922 13 0
1942-43	11,567	18,53,054 1 3	4,231	2,58,629 5 6
1943-44	...	...	16,143	21,56,276 15 9
Total ...	16,074	23,82,494 2 3	21,821	25,48,066 6 3
Add—Payment by Government in lieu of General Tax		14,37,321 7 10		2,86,494 1 0
Grand Total ...		38,19,815 10 1		28,35,360 7 3

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 7.93 as against 11.29 for the previous year showing a decrease of 3.36.

(4) A statement of the transaction for the year is as follows :—

	Rs.	a.	p.
Property and Wheel Tax:—			
Balance on 1st April 1943	38,19,815	10	1
Add—			
Demand during the year	3,19,24,713	10	8
	3,57,44,529	4	9
Less—			
Recoveries during the year	3,29,09,168	13	6
Balance on 31st March 1944—exclusive of amount of bills for meter hire and street number plates	28,35,360	7	3

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 1,67,928-10-0 and Rs. 4,00,422-6-0 respectively, as against Rs. 3,44,823-3-0 and Rs. 1,97,240-5-0 during the previous year. The total amount written off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 52,910-6-6.

(6) The total number of bills for property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1944 was 22,859. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

I have the honour to be,
Sir,
Your most obedient servant,

R. C. MEHTA,
Municipal Chief Auditor.

MUNICIPAL OFFICES.
BOMBAY, 5th October 1944.

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1926-27	E ...	2	960 2 0	311 7 0	...	...	249 1 0	...	...	1,520 10 0	...	1,520 10 0	...	...
1927-28	E ...	2	1,432 6 0	467 2 0	...	...	373 10 0	...	...	2,273 2 0	...	2,273 2 0	...	...
1930-31	B ...	2	139 14 0	68 8 0	...	...	54 12 0	...	...	263 2 0	...	263 2 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
	Total ...	4	221 8 0	95 2 0	...	...	76 0 0	...	...	392 10 0	...	392 10 0	...	...
1931-32	B ...	2	209 14 0	68 8 0	...	...	54 12 0	...	...	333 2 0	...	333 2 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
	Total ...	4	291 8 0	95 2 0	...	...	76 0 0	...	...	462 10 0	...	462 10 0	...	...

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1932-33	A ...	1	8 15 0	2 15 0	...	...	2 5 0	...	...	14 3 0	...	14 3 0	...	...
Do.	B ...	6	723 6 0	127 4 0	...	...	188 12 0	...	...	1,039 6 0	...	1,039 6 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
Do.	E ...	2	463 8 0	...	...	...	120 14 0	...	...	584 6 0	...	584 6 0	...	...
Do.	F ...	4	89 2 0	...	...	...	23 0 0	...	...	112 2 0	...	112 2 0	...	...
Do.	G ...	1	...	18 1 0	...	...	42 14 0	...	...	60 15 0	...	60 15 0	...	...
	Total ...	16	1,366 9 0	174 14 0	...	...	399 1 0	...	...	1,940 8 0	...	1,940 8 0	...	...
1933-34	A ...	4	32 4 0	10 10 0	...	...	8 6 0	...	...	51 4 0	...	51 4 0	...	...
Do.	B ...	6	723 6 0	127 4 0	...	...	188 12 0	...	...	1,039 6 0	...	1,039 6 0	...	...
Do.	C ...	5	173 11 0	56 11 0	...	...	45 4 0	...	...	275 10 0	...	275 10 0	...	...
Do.	E ...	2	463 8 0	0 2 0	...	...	120 14 0	...	...	584 8 0	...	584 8 0	...	...
Do.	F ...	5	110 2 0	...	...	...	31 1 0	...	...	141 3 0	...	141 3 0	...	...
Do.	G ...	2	328 14 0	107 4 0	...	...	85 12 0	...	...	521 14 0	...	521 14 0	...	...
	Total...	24	1,831 13 0	301 15 0	...	...	480 1 0		...	2,613 13 0		2,613 13 0		

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND											
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immovable Property Tax.	Grand Total.	Meter Hire	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.					No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1934-35	A ...	4	35 0 0	10 10 0	...	...	8 6 0	...	...	54 0 0	...	54 0 0	...	...
Do.	B ...	6	750 0 0	181 10 0	...	...	188 12 0	...	...	1,120 6 0	...	1,120 6 0	...	...
Do.	C ...	8	466 4 0	71 8 0	...	...	111 14 0	...	...	649 10 0	...	649 10 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	503 12 0	151 2 0	...	...	120 14 0	...	...	775 12 0	...	775 12 0	...	...
Do.	F ...	8	158 12 0	...	...	...	42 12 0	...	...	201 8 0	...	201 8 0	...	...
Do.	G ...	3	412 13 0	123 14 0	...	...	95 3 0	...	...	631 14 0	...	631 14 0	...	...
	Total ...	33	2,435 15 0	538 12 0	...	...	594 1 0	...	...	3,568 12 0	...	3,568 12 0	...	...
1935-36	A ...	6	188 12 0	10 10 0	...	...	45 4 0	...	...	244 10 0	...	244 10 0	...	...
Do.	B ...	8	811 5 0	238 10 0	...	...	190 13 0	...	...	1,240 12 0	...	1,240 12 0	...	...
Do.	C ...	10	1,834 1 0	496 11 0	...	...	452 0 0	...	...	2,782 12 0	...	2,782 12 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	45 0 0	13 8 0	...	...	10 12 0	...	...	69 4 0	...	69 4 0	...	...
Do.	F ...	9	171 9 0	...	...	...	45 13 0	...	...	217 6 0	...	217 6 0	...	...
Do.	G ...	7	452 11 0	136 14 0	...	...	109 5 0	...	...	698 14 0	...	698 14 0	...	...
	Total ...	44	3,612 12 0	896 5 0	...	...	880 3 0	...	...	5,389 4 0	...	5,389 4 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1936-37	A ...	6	173 12 0	10 10 0	...	...	45 4 0	...	...	229 10 0	...	229 10 0	...	...
Do.	B ...	8	700 14 0	222 4 0	...	...	177 12 0	...	...	1,100 14 0	...	1,100 14 0	...	...
Do.	C ...	10	1,085 2 0	235 12 0	...	...	316 8 0	...	...	1,637 6 0	...	1,637 6 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	...	126 14 0	...	126 14 0	...	...
Do.	E ...	4	143 14 0	13 8 0	...	...	40 8 0	...	...	197 14 0	...	197 14 0	...	...
Do.	F ...	10	174 7 0	...	...	...	50 2 0	...	...	224 9 0	...	224 9 0	...	...
Do.	G ...	13	669 3 0	133 10 0	105 4 0	...	174 8 0	...	...	1,082 9 0	...	1,082 9 0	...	...
	Total ...	53	3,047 14 0	615 12 0	105 4 0	...	830 14 0	....	...	4,599 12 0	...	4,599 12 0	...	...
1937-38	A ...	8	301 8 0	98 6 0	...	...	78 10 0	...	...	478 8 0	...	478 8 0	...	...
Do.	T ...	4	...	...	1,366 2 0	...	...	...	...	1,366 2 0	...	1,366 2 0	...	...
Do.	B ...	8	742 14 0	235 14 0	...	...	188 12 0	...	...	1,167 8 0	...	1,167 8 0	...	...
Do.	C ...	14	1,092 6 0	20 6 0	...	...	281 0 0	...	...	1,393 12 0	...	1,393 12 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	...	126 14 0	...	126 14 0	...	...
Do.	E ...	7	199 9 0	31 7 0	...	...	66 15 0	...	...	297 15 0	...	297 15 0	...	...
Do.	F ...	11	184 5 0	18 6 0	...	...	60 3 0	...	...	262 14 0	...	262 14 0	...	...
Do.	G ...	18	672 12 0	168 2 0	262 0 0	...	175 8 0	...	...	1,278 6 0	...	1,278 6 0	...	...
	Total ...	72	3,294 0 0	572 9 0	1,628 2 0	...	877 4 0	...	...	6,371 15 0	...	6,371 15 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.							Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Tax on Vehicles and animals.				No. of Bills.	Amount.
				On Value.	By Meter. Measurement.	Compounded Tax.	On Value.	At a Special Rate.						
1	2	3	4	5	6.	7	8	9	10	11	12	13	14	15
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1938-39	A ...	4	301 12 0	98 6 0	...	...	78 12 0	...	...	478 14 0	...	478 14 0	...	
Do.	G. P. R. ...	2	...	...	...	...	...	234 15 0	...	234 15 0	...	234 15 0	...	...
Do.	T ...	5	...	...	104 1 0	...	...	...	...	104 1 0	...	104 1 0	...	...
Do.	B ...	14	1,579 9 0	265 12 0	...	...	421 11 0	...	...	2,267 0 0	...	2,267 0 0	...	...
Do.	C ...	28	1,651 11 0	43 10 0	...	...	413 0 0	...	...	2,108 5 0	...	2,108 5 0	...	...
Do.	D ...	6	514 10 0	135 2 0	...	...	134 4 0	...	...	784 0 0	...	784 0 0	...	...
Do.	E ...	19	1,735 14 0	57 2 0	...	...	463 3 0	...	...	2,256 3 0	...	2,256 3 0	...	...
Do.	F ...	16	738 4 0	124 6 0	...	...	220 3 0	...	...	1,082 13 0	...	1,082 13 0	...	...
Do.	G ...	20	1,084 11 0	179 5 0	338 0 0	...	275 14 0	...	...	1,877 14 0	...	1,877 14 0	...	...
	Total ...	114	7,606 7 0	903 11 0	442 1 0	...	2,006 15 0	234 15 0	...	11,194 1 0	...	11,194 1 0	...	...
1939-40	A ...	2	234 10 0	76 8 0	...	...	61 4 0	...	...	372 6 0	204 0 0	576 6 0	...	...
Do.	G. P. R. ...	2	...	...	...	...	...	272 4 0	...	272 4 0	...	272 4 0	...	...
Do.	T ...	2	155 0 0	50 9 0	...	...	40 6 0	...	...	245 15 0	67 6 0	313 5 0	...	...
Do.	B ...	32	3,002 14 0	309 1 0	...	...	817 4 0	...	...	4,129 3 0	2,165 11 0	6,294 14 0	...	...
Do.	C ...	43	2,285 3 0	30 13 0	...	...	733 11 0	...	...	3,049 11 0	2,671 2 0	5,720 13 0	...	...
Do.	D ...	12	1 940 1 0	379 15 0	...	...	686 10 0	...	...	3,006 10 0	2,064 12 0	5,071 6 0	...	...
Do.	E ...	24	2,248 7 0	55 3 0	...	...	644 15 0	...	...	2,948 9 0	1,718 7 0	4,667 0 0	...	...
Do.	F ...	26	1,608 2 0	118 9 0	...	...	418 0 0	...	...	2,144 11 0	1,034 14 0	3,179 9 0	...	...
Do.	G ...	33	1,394 9 0	68 11 0	243 15 0	...	381 13 0	...	...	2,089 0 0	1,011 8 0	3,100 8 0	...	...
	Total ...	176	12,868 14 0	1,089 5 0	243 15 0	...	3,783 15 0	272 4 0	...	18,258 5 0	10,937 12 0	29,196 1 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.							Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Tax on Vehicles and animals.				No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.		Rs. a. p
1940-41	A ...	10	464 5 0	53 11 0	614 2 0	...	159 7 0	...	...	1,291 9 0	465 0 0	1,756 9 0	...	...
	G. P. R. ...	7	...	...	...	...	...	410 2 0	...	410 2 0	...	410 2 0	...	...
	B ...	41	4,423 11 0	235 14 0	...	...	1,161 5 0	...	...	5,820 14 0	3,321 10 0	9,142 8 0	...	...
	C ...	54	5,222 9 0	364 14 0	22 7 0	...	1,393 10 0	...	...	7,003 8 0	3,898 2 0	10,901 10 0	...	...
	D ...	19	2,891 7 0	33 8 0	556 9 0	...	772 13 0	...	...	4,254 5 0	2,293 12 0	6,548 1 0	...	...
	E ...	34	3,270 8 0	24 8 0	...	...	905 7 0	...	...	4,200 7 0	2,317 7 0	6,517 14 0	...	...
	F ...	30	1,728 0 0	149 6 0	...	...	451 14 0	...	...	2,329 4 0	1,096 3 0	3,425 7 0	...	...
	G ...	43	1,198 4 0	171 6 0	68 2 0	...	394 4 0	...	...	1,832 0 0	1,032 2 0	2,864 2 0	...	...
	Total ...	238	19,198 12 0	1,033 3 0	1,261 4 0	...	5,238 12 0	410 2 0	...	27,142 1 0	14,424 4 0	41,566 5 0	...	...
1941-42	A ...	11	823 2 0	168 9 0	...	...	277 6 0	...	...	1,269 1 0	995 12 0	2,264 13 0	...	...
	G. P. R. ...	13	35 1 0	...	...	...	9 2 0	615 13 0	...	660 0 0	...	660 0 0	...	...
	T ...	6	153 14 0	50 4 0	72 6 0	...	40 1 0	...	...	316 9 0	81 7 0	398 0 0	...	...
	B ...	57	6,631 13 0	460 1 0	...	...	1,781 15 0	...	...	8,873 13 0	4,080 10 0	12,954 7 0	...	...
	C ...	74	8,062 10 0	575 7 0	...	11 1 0	2,237 6 0	...	...	10,886 8 0	4,988 11 0	15,875 3 0	...	...
	D ...	30	3,789 14 0	206 3 0	...	...	1,055 13 0	...	...	5,051 14 0	2,453 2 0	7,505 0 0	...	...
	E ...	64	4,675 3 0	401 13 0	...	...	1,315 2 0	...	...	6,392 2 0	2,583 8 0	8,975 10 0	...	...
	F ...	30	1,786 10 0	167 12 0	...	...	464 8 0	...	...	2,418 14 0	889 14 0	3,308 12 0	...	...
	G ...	61	2,797 9 0	358 11 0	...	...	821 12 0	...	...	3,978 0 0	1,665 3 0	5,643 3 0	...	...
	Total ...	346	28,755 12 0	2,388 12 0	72 6 0	11 1 0	8,003 1 0	615 13 0	...	39,846 13 0	17,738 3 0	57,585 0 0	...	...

STATEMENT A.—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year	Ward	No of bills	DETAILS OF DEMAND										Meter Hire	
			General Tax	Water Tax			Halalkhore Tax		Tax on vehicles and animals	Total of Municipal taxes	Urban Immoveable Property Tax	Grand Total	No of bills	Amount
				On Value	By meter measurement	Compounded tax	On Value	At a special rate						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1942-43	A ...	61	28,059 10 0	7,471 2 0	1,514 0 0	...	7,866 5 0	...	...	44,911 1 0	16,933 11 0	61,844 12 0	...	...
Do.	G.P.R. ...	37	1,882 5 0	...	109 13 0	...	491 0 0	4,474 12 0	...	6,957 14 0	...	6,957 14 0		
Do.	T. ...	48	1,094 3 0	320 12 0	1,019 10 0	...	281 3 0	...	...	2,715 12 0	264 14 0	2,980 10 0		
Do.	B ...	126	17,316 3 0	1,559 4 0	...	12 2 0	4,868 6 0	...	...	23,755 15 0	11,479 3 0	35,235 2 0		
Do.	C ...	137	17,269 1 6	2,704 14 0	200 6 0	30 14 0	4,811 3 0	...	...	25,016 6 6	11,113 9 0	36,129 15 6		
Do.	D ...	161	12,469 10 0	4,485 12 0	1,906 10 0	15 15 0	6,394 11 0	...	...	25,272 10 0	7,429 6 0	32,702 0 0		
Do.	E ...	114	8,143 6 0	2,438 3 0	350 9 0	24 12 0	2,240 15 0	...	...	13,197 13 0	4,138 0 0	17,335 13 0		
Do.	F ...	91	6,382 13 0	4,483 6 0	697 13 0	...	1,673 9 0	...	...	13,237 9 0	3,817 8 0	17,055 1 0		
Do.	G ...	160	8,452 6 0	1,991 0 0	1,339 12 0	...	2,576 14 0	...	...	14,360 0 0	4,213 14 0	18,573 14 0		
Total	...	935	1,01,069 9 6	25,454 5 0	7,138 9 0	83 11 0	31,204 2 0	4,474 12 0	...	1,69,425 0 6	59,390 1 0	2,28,815 1 6		
1943-44	A ...	984	1,99,364 13 6	39,659 12 6	1,77,311 0 0	34 7 0	74,266 11 6	...	...	4,90,596 12 6	2,01,663 12 0	6,92,260 8 6	24	656 8 0
	G P.R ...	448	3,617 5 0	80 1 0	2,21,637 7 0	...	945 1 0	18,472 7 0	...	2,44,752 5 0	...	2,44,752 5 0	37	1,669 12 0
	T ...	192	35,487 3 0	11,507 10 0	559 7 0	26 0 0	9,331 1 0	...	...	56,911 5 0	14,132 12 0	71,044 1 0	8	142 8 0
	B ...	750	1,16,652 6 0	32,394 1 0	4,937 15 0	243 10 0	31,143 15 0	...	...	1,85,371 15 0	73,341 1 0	2,58,713 0 0	8	138 0 0
	C ...	669	93,904 5 0	26,724 6 0	22,198 5 0	870 6 0	25,507 15 0	...	...	1,69,205 5 0	59,234 7 0	2,28,439 12 0	9	141 0 0
	D ...	870	1,43,164 15 6	42,558 11 6	19,230 8 0	169 1 0	40,642 15 0	...	...	2,45,766 3 0	96,358 12 6	3,42,124 15 6	14	384 0 0
	E ...	679	73,059 14 0	18,808 11 0	8,060 10 0	33 6 0	19,869 2 0	...	...	1,19,831 11 0	45,258 8 0	1,65,090 3 0	11	213 0 0
	F ...	578	95,854 3 3	27,481 12 0	6,929 4 0	32 2 0	27,035 0 0	...	...	1,57,332 5 3	55,609 9 0	2,12,941 14 3	7	117 12 0
	G ...	1283	1,49,274 5 0	20,410 3 0	22,730 4 0	54 11 0	51,410 9 0	...	...	2,43,880 0 0	1,23,121 2 0	3,67,001 2 0	12	158 8 0
	Total ...	6,453	9,10,379 6 3	2,19,625 4 0	4,83,594 12 0	1,463 11 0	2,80,112 5 6	18,472 7 0	...	19,13,647 13 9	6,68,719 15 6	25,82,367 13 3	130	3,621 0 0
	Grand Total	8,516	10,98,373 3 9	2,54,563 8 0	4,94,486 5 0	1,558 7 0	3,35,185 5 6	24,480 5 0	...	22,08,647 2 3	7,71,210 3 6	29,79,857 5 9	130	3,621 0 0

	13,305
	130
	38
	870
Total ...	22,859

Tax on Vehicles and Animals	...	3,40,219 4 0
Meter hire bills	...	3,621 0 0
Street No Plates	...	70 0 0
Additional General Tax	...	38,651 14 0
Amount due from Government in lieu of the General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1943-44	...	2,86,494 1 0
Urban Immoveable Property Tax	...	7,71,210 3 6
		36,48,913 8 9

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1944.

Ward	1936-37		1937-38		1938-39		1939-40		1940-41		1941-42		1942-43		1943-44	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	...	...	1	25 0 0	4	76 8 0	14	295 0 0	33	815 0 0	67	1,789 10 0	885	24,001 10 0	3364	83,443 14 0
B ...	...	...	3	90 0 0	1	40 0 0	2	60 0 0	10	353 5 0	10	251 11 0	376	11,385 1 0	957	26,443 7 0
C ...	...	...	1	20 0 0	1	25 0 0	13	281 5 0	24	693 8 0	7	260 0 0	376	10,003 0 0	876	22,233 10 0
D ...	3	70 0 0	2	50 0 0	1	25 0 0	...	...	6	137 0 0	27	717 6 0	651	15,884 10 0	1,805	43,982 5 0
E ...	...	...	...	...	...	...	6	142 8 0	5	69 5 0	13	400 0 0	598	17,129 6 0	1,496	38,951 2 0
F ...	...	...	2	25 0 0	2	165 0 0	3	190 0 0	6	160 0 0	11	325 0 0	272	7,492 5 0	712	16,464 11 0
G ...	2	48 0 0	2	16 0 0	3	51 11 0	5	91 11 0	12	294 0 0	17	332 5 0	138	3,308 5 0	480	11,110 1 0
Total ...	5	118 0 0	11	226 0 0	12	383 3 0	43	1,060 8 0	96	2,522 2 0	152	4,076 0 0	3,296	89,204 5 0	9,690	2,42,629 2 0

STATEMENT C.

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1944.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV.		A.G.T. XV.		Street No. Plate.	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	3	148 4 0	...	...	2	5 11 0	...	...	15	4,033 5 0	2	10 8 0	14	975 13 0	...	...	2	1 10 0	49	1,155 2 0	2	2 8 0
G.P.R....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Trust ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	5	12 0 0
B ...	41	2,036 14 0	5	60 13 0	26	97 6 0	3	28 9 0	49	2,238 9 0	...	...	12	356 8 0	4	368 9 0	5	19 0 0	31	575 0 0	...	...
C ...	11	725 10 0	...	...	...	...	...	...	36	6,48[illegible]2 0	14	76 12 0	8	53 9 0	5	144 14 0	14	29 6 0	26	276 1 0	2	3 0 0
D ...	30	2,853 14 0	...	...	...	...	...	...	38	10,003 6 0	...	...	10	130 13 0	1	0 15 0	3	2 7 0	20	267 2 0	9	11 4 0
E ...	35	122 6 0	...	...	...	...	...	...	65	1,329 13 0	...	...	9	187 7 0	1	5 0 0	10	19 15 0	51	468 1 0	15	33 12 0
F ...	13	195 14 0	...	...	...	...	...	...	12	662 8 0	...	...	9	103 12 0	...	...	6	1 6 0	30	332 13 0	...	...
G ...	10	185 10 0	...	...	...	...	...	...	29	1,019 0 0	...	...	30	631 6 0	...	...	20	28 0 0	61	201 7 0	5	7 8 0
Total ...	143	6,268 8 0	5	60 13	28	103 1 0	3	28 9 0	244	25,767 11 0	16	87 4 0	92	2,439 4 0	11	519 6 0	60	101 12 0	268	3,275 10 0	38	70 0 0

BOMBAY MUNICIPALITY

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1944-45.

Municipal Printing Press, Bombay.

MUNICIPAL CHIEF AUDITOR'S REPORT.

MCA 965 I of 1945-46.

Bombay, 26th September 1945.

FROM

R. C. MEHTA, Esq. F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

Sir,

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1944-45 for submission to the Standing Committee and the Corporation.

I have the honour to be,

Sir,

Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the Year 1944-45.

Prefatory Remarks.

In compliance with the provisions of Section 137(3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938), the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1945, that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee, their Capital Accounts, Accounts of the Sinking and Special Funds, Debts, Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor, his Deputy and his staff have kept themselves busy continuously throughout the year test-auditing the accounts of the Corporation and the result has been embodied in this report.

This Audit report is divided into two parts (1) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schedule I, Division A summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the method and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I, Division B, contains statements of receipts and payments and the balances of Revenue and Capital accounts indicating the final position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvement Schemes Accounts, Advances and Investments, loans contracted and cash and securities on account of various funds. Appendices A and B are attached to Schedule I showing the charges met from the Municipal Commissioner's discretional contingencies and balances of stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Municipal Chief Auditor's general remarks on the result of the Audit of the Accounts may shortly be recapitulated as under:—

MUNICIPAL ACCOUNTS.

Expenditure.

With reference to the internal control of the Accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made etc., it will be seen from the summary of objections raised during the year, as given in the body of the main Audit Report, that in a majority of cases the Accounts Department has simply forwarded for the information of the Municipal Chief Auditor

the explanations given by the departments concerned, apparently without much scrutiny. From the explanations and information given in certain cases, it also appears that as usual the departments concerned try to justify the action taken by offering arguments instead of adopting the reasonable suggestions made by Audit in the interests of economy and clear accounting. The Municipal Chief Auditor has accordingly to repeat the suggestionmade last year that the control of the Accounts Department over incurrence of expenditure, adjustmnet of accounts and watching of budget grants in the departments should be more searching and strict, though not inconsiderate.

It also appears from the bills received in audit that submission of contractors' and other bills by the Departments to the Accounts Department takes an unduly long time which in some cases extends to several months. In addition, bills are often found going to and fro between the Accounts Department and the Departments for errors, omissions and corrections which puts off payments several months after the supplies are made or works done. This creates an undesirable impression that due to irregularity of payment the dealers have to lock up their capital unduly for a long time and it has the tendency of detering them from coming forward to compete for the Municipal works resulting in an unaccountable loss to Municipal Revenue. The routine should be so arranged as to ensure speedy and regular payments of the bills of private parties to gain their confidence.

Although the annual accounts signed by the Commissioner and the Chief Accountant were submitted to the Municipal Chief Auditor for final audit, in several cases the registers were not closed and totalled with the result that audit had to call upon the Chief Accountant's staff to do the needful afterwards. This state of affairs should not be carried on by the Accounts Departments in such an irresponsible way. In future the Chief Accountant will please see that all books are duly completed and balanced before submission to audit so that much of the time wasted by both the Departments may be saved and the annual audit report may not be unnecessarily delayed.

Budget and Accounts.

The Revenue Budget originally sanctioned was for Rs. 417.34 lakhs for Municipal Accounts and Rs. 101.74 lakhs for Improvement Schemes Account. The transfers and additions made in the Budget during the year were to the extent of Rs. 33.05 lakhs both in the Municipal and Improvement Schemes Accounts, there being 613 items of transfers and 126 items of additional grants. A number of these transfers and additions which practically alter all sanctioned allotments in the original budget relate to Establishment Grants also. These transfers of establishment grants are mainly due to the lax practice of omitting all charges for leave allowances, whilst calculating the budget provisions which presupposes supplementing of grants by transfers and additions during the course of the year. This practice does not lead to economy. Moreover, budget being a prospective chart of anticipated income and expenditure to be based upon as accurate estimates as possible should not be lightly trifled with later on at the sweet will of the Departments concerned who are bound to carry it out in all its possible details. It was accordingly suggested in the annual audit reports for the years 1941-42, 1942-43 and 1943-44 that every effort should be made to preassess as far as possible all such expenditure at the time of framing the original budget. It was also suggested that though it may not be possible to forecast beforehand the exact number and nature of the prospective acting appointments still the estimates can be based on expenditure on similar items incurred in foregoing years or as is done in Government Departments provision for leave reserves and acting appointments can be based on a ceratain fixed percentage of the total strength of the establishment. It appears that since writing this the Commissioner Mr. Mirchandani has written to the Standing Committee and the Corporation to give effect to this suggetion by adding 10 per cent. to the Establishment Grants in the Budgets.

Creation of New Posts, etc.—During the year under report proposals numbering about 45 for increase in staff due to increased work in the various Municipal Departments were sanctioned and the additional posts created thereunder were 226 (including conversion of about 51 temporary posts). Similarly proposals for increase in grades of the staff received from the various Departments and sanctioned were 16. This is apart from the monthly statements of temporary posts created by the Municipal Commissioner. Similarly in the case of Schools Committee, new posts for administrative sections created by the Committee during the year were 13 and the increased emoluments sanctioned by them were in 13 cases. This continuous flow of proposals from the Departments for increase in staff and remunerations, year in and year out has become as it were a regular routine in the Municipal Departments. It is suggested that the creation of additional permanent posts and revision of existing grades may as a rule be put off till the next budget, only temporary additions being made in the meantime in cases of real urgency. This will give ample time and afford ample material to the Standing Committee and the Corporation to consider fully the merits of such proposals in the light of the total finances and the relative requirements of the other Departments.

Moreover this method of supplementing the staff in a piecemeal and haphazard way without due adjustments and changes in the routines and methods of work results in making the Departments unwieldy and perpetuates the old method of carrying on the old routines, which in many cases have outgrown their usefulness and do not give adequate return for the money spent. There is plenty of scope for adjustments of routines to actual work in an economical, harmonious and smooth way. Under the circumstances it appears necessary to get the working of the Departments closely examined by an exprt officer who should scrap out unnecessary routines and adjust the staff according to the work involved and if necessary revise the grades of the staff and the officers primarily according to the responsibilities of the posts and next according to the work involved. It would have been adequate if this examination had been taken on hand prior to the examination of the grades of the staff and officers by the Special Officer appointed by the Corporation under their Resolution No. 32, dated the 19th April 1945.

(2) *Revised Estimates.*—Another suggestion made in the last annual report was that the Departments should not be allowed to spend in excess of the figures shown by them in the revised estimates without special permission of the Commissioner. The reason for this suggestion is obvious. Although the original budget is framed about six months before the beginning of the next budget year, the revised budget is prepared on the basis of actuals of the first eight months of the year and it is accordingly bound to be more accurate and therefore it should not be allowed to be varied without the special sanction of the Commissioner who would in that case be in a position to know the justification of the proposed variation. If these revised estimates do not give approximately correct figures and cannot be adhered to, as explained by the Chief Accountant, their preparation is a practical waste of time as they serve no useful purpose and even the closing balances shown as opening balances in the next year's budgets which are based on these estimates cannot be said to be approximately correct.

(3) *Accounting.*—Attention has been repeatedly drawn in all the previous Audit Reports, beginning from 1938-39 to the urgent necessity of the present system of Account-Keeping being overhauled and brought upto the present day requirements. The system was designed years ago, since when the finances of the

Municipality have considerably expanded and the accounts have become more complicated and as a consequence its continuance with the changes here and there in an haphazard way has the tendency of diminishing the efficiency, accuracy and speed in the accounts and the control over the expenditure. In the circumstances the matter requires to be promptly looked into in the interest of ceconomy, simplification and expeditious disposal of work that is daily growing in volume and in complexity.

(4) *Accounts Code.*—There is also no Accounts Code laying down the rules and regulations for a proper, clear and scientific accounting. Necessity for such a code can not be overemphasised for such a vast organization like the Bombay Municipal Corporation....Attention has been drawn in the Municipal Chief Auditor's previous Reports to this defect but no steps have so far been taken to remedy it.

Stores Purchase.

Articles of usual annual requirements are scheduled and contracted for by the Controller of Stores. The Engineering Department also prepares a petty works schedule for which separate contracts are entered into by that department. It has been observed that many of the items appear in the schedules of the Controller of Stores as well as of the Engineering Department at varying rates. The Controller of Stores only being the authorised agent of the Corporation to purchase and supply all articles of usual requirements to the Municipal Departments, the Engineering Department should not enter into separate contracts for its requirements.

In order to have a proper check and control over the accounts of cash, stores and materials and to facilitate tracing of responsibility in cases of defaults, the Commissioner was requested four years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all the Departments in respect of these matters and he has given orders accordingly to the Departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

Re:—*Rs. 476 lakhs C.I.T. Loan.*

The interest payable to Government on the different portions of the advance of Rs. 476 lakhs taken from them by the late Improvement Trust by issue of 4½ per cent. debentures of equivalent amount as security ranges from 4¾ per cent. to 5½ per cent. The amount of the advance is being repaid by annual instalments fixed up to 31st March 1956. It was, therefore, suggested to the Commissioner that it was worthwhile requesting Government to receive early re-payment of the whole balance of the advance when Government were borrowing on a large scale for war purposes.

The suggestion, however, was not adopted as according to the Commissioner he could not approach the Government as there was an agreement to repay it by 1956. The Municipal Chief Auditor however, believes that this suggestion is worth trying for even now.

If Government agree to consider the request of the Municipality favourably, the repayment can be easily financed by raising a loan at a cheap rate of interest of about 3 per cent. and the saving accruing to the Municipal Fund would in that case be more than Rs. 12 lakhs as pointed out in the last year's Audit Report.

Administration of Rules and Regulations.

(1) *Acceptance of private work by a Statutory Officer.*—The City Engineer, Mr. Modak, had undertaken private works and accepted remuneration therefor. On a question arising as to whether it was legally permissible for the staturory officers to undertake private works and to receive remunerations, the Commissioner was requested to obtain opinion of the Municipal Solicitors. The Solicitors opined that the acceptance of outside work and the remuneration therefor was irregular. The Municipal Commissioner has therefore been requested to regularise this matter by granting Mr. Modak leave and adjusting the salary and allowances in conformity with the service rules in that behalf for the period he was not on Municipal duty whil e attending to private works.

(2) *Extension of service to the City Engineer.*—In 1943 Mr. Modak applied for leave preparatory to retirement from July 5th, 1943 to July 9th, 1945. However, by Corporation Resolution No. 3344, dated the 19th July 1943, leave was refused and he was given an assurance of re-appointment for a further period of 5 years on the expiry of his term on 9th July 1945 and his re-appointment for five years has been made from that date, i.e., about five months before he reached the age of superannuation (*vide* Corporation Resolution No. 212, dated the 3rd July 1945). This practically means an extension of his service for four years and seven months and contravenes the provisions of Regulation 67 of the Municipal Service Regulations under which every Municipal Officer has to retire at the age of 55 years.

It is true that under Section 74(1) of the Municipal Act the appointment of the City Engineer can be made for a term of five years, and that as opined by the Solicitors Messrs. Crawford, Bayley and Company, in the case of extensions of service of the Executive Health Officer, Dr. Mhatre, under Regulation 3 of the Municipal Service Regulations, an appointment made under a specific contract for a specified period which is enforceable at law necessarily overrides the conflicting provisions contained in the Regulations. Still the better way to retain the services of Mr. Modak after the age of 55 would appear to be to make him retire on 9th July 1945 and then to enter into a special contract with him for a specified period as desired with effect from the next day or from any other day subsequent thereto, provided the Corporation was of opinion that his services could not be replaced by an equally or more efficient younger man to find whom an attempt should have been made by public advertisement and selection.

Liabilities and Assets.

The property and assets under Loan Funds as shown at the original cost in Appendix No. 8 are being replaced from time to time or disposed of as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the value for those assets which have been scrapped or disposed of and are no longer in existence.

In the schedule of assets also are included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore it cannot be said that the Municipality is holding assets to this extent. Such items may be shown in the Balance Sheet under a separate head.

Municipal Properties.

The Municipal properties were valued in the year 1883-84 at a figure of about 65 lakhs of which properties of the value of Rs. 19,62,164-4-1 only were on the books and those for Rs. 45,37,835-11-11 were shown as unbooked, for the last 60 years, All additional expenditure since incurred was added thereto irrespective of the existence or otherwise of the assets. A suggestion was made in the last year's Audit Report that the Municipal Accounts and Balance Sheet should not represent a position materially different from the actual. And accordingly under the Standing Committee Resolution No. 1647, dated the 17th January 1945 and the Corporation Resolution No. 1023, dated the 8th February 1945 the figure of unbooked property has been omitted from the Capital Account of the Balance Sheet this year. It was also pointed out very often and especially

in the last year's Audit Report that a revaluation of the properties on hand with the several Municipal Departments was necessary. Following this suggestion after years of insistence by the Corporation an inventory of Municipal properties in and outside the City, excepting the properties in charge of the Estate Agent and Land Manager's Department, has been submitted by the Commissioner to the Corporation. The Commissioner has promised further report on properties in charge of the Estate Agent and Land Manager's Department after the statements showing the financial results of Ex-Trust and Municipal Land Development Schemes undertaken by the Corporation during the last 25 years (*vide* Corporation Resolution No. 1074 of 19-2-1942) are completed. The properties shown in the inventory are found taken on a register opened in the City Engineer's Department but—

(1) the accuracy of the properties shown in the register has not been subjected to any scrutiny or verification by the Test Audit Officer, and
(2) all the columns in respect of each entry are not duly filled up and the uses to which the properties are put, *i.e.*, whether let or used by the Municipality for specified purposes are not shown, and
(3) the items and values shown therein have no basis for comparison with the amount of assets shown in the Balance Sheet.

Plant and Machinery.

No statements of plant and machinery for the year ending 31-3-1945 duly verified by the Chief Accountant have been submitted for audit along with the accounts for the year and therefore the figure on account of machinery shown as an asset in the Balance Sheet cannot be vouchsafed without certificates of existence of the plant and machinery.

The desirability of bringing all plant and machinery from whatever source purchased on the records after due verification by the Chief Accountant though pointed out often has not yet reached a satisfactory stage of completion.

Income.

(1) *Miscellaneous Departments.*—Attention is invited to the remarks made in the last year's Audit Report under this head, regarding the revenues of the Corporation, about lack of co-ordination of the departmental accounts with those kept by the Chief Accountant, and want of the internal check of the Accounts Department over the departmental accounts required as a safeguard against possible omissions and irregularities in the accounts, inspite of revision of the forms of registers of the Miscellaneous Departments from 1-4-1939 and the strengthening of the staff of the Chief Accountant's Office which was found slow to adopt itself to the new system of balancing and closing of departmental books and about the necessity of certifying the accounts quarterly by means of returns. Although the Commissioner by means of circulars and warnings last year tried his best to improve the situation and succeeded to a certain extent, this improvement that was maintained last year has not been maintained this year, as will be seen from the position of returns for the year 1944-45 mentioned elsehwere in this report which shows that most of the Departments are found in arrears for a quarter or two while no return has yet been received from the Superintendent of Markets, Legal Assistant, Mechanical Engineer, Assistant Health Officers, A and B Wards, E Ward, and Supervisor of Conservancy.

It is also observed that unduly long time is taken by the Accounts Department in verifying and submitting to Audit the returns which are sent by the Departments after good deal of delay. Moreover it is observed that the work of checking the Registers in the Departments by the Chief Accountant's staff is either incomplete or entirely omitted in some cases. Instances of such omissions or neglect by the internal audit staff were brought to the notice of the Municipal Commissioner.

In the circumstances the accounts of the Miscellaneous Revenue shown in—Appendix 3 of the Chief Accountant's accounts lack the requirement of yearly reconciliation with the Demand Registers of the Departments as on 31-3-1945.

It is hoped that the Departments in collaboration with the Chief Accountant will see their way to make up for the past arrears of writing and of checking the registers and will arrange to submit all returns to audit not later than six weeks after the close of each quarter.

(2) *Assessment and Collection Department.*—As regards the Assessment Department, long delay occurring in taking legal action in respect of taxes left unrecovered after service of demand notices or execution of warrants proved a sort of encouragement to the habitual defaulters, who did not take serious notice of the municipal demand, knowing well the municipal practice which took years before a suit was filed and who accordingly adopted a variety of delaying tactics. To end this state of affairs, it was suggested in my previous reprts that a time limit should be set, after the service of notices or of execution of warrants, after which the bills left unrecovered should be taken out of the hands of the bill collectors and put into the hands of the Legal Assistant for demanding payments so that even if the Court actions were required to be taken for non-payment afterwards, the cases may not get complicated by the properties changing hands or for any other reasons. Acting on this suggestion the Commissioner has taken steps to increase the staff of the Legal Assistant's Department for conducting cases of rates and taxes. As a result, during the year under report, it appears that the Assessor and Collector obtained sanction of the Standing Committee in a lot of about 100 cases of bills outstanding for the year 1943-44 or previous years immediately after the close of the year and put all the cases of unpaid bills into the hands of the Legal Assistant who issued notices threatening the parties with immediate court action on their failure to pay up the bills. At the time of writing this report, out of these 100 cases, in 66 cases bills have been paid, 7 cases are pending with the Department in the expectation of receiving payments, in 12 cases suits have been filed and 15 cases are pending for legal action. However amongst the bills outstanding on 31st March 1945 about 1,400 bills were found enfaced for part-payment of water or other taxes and some of these were even enfaced for part-payments more than once.

The figures of collections in the Assessment bill books and reconciled by the Chief Accountant with his books are not received by Audit and accordingly the figures of receipts from taxes shown in Appendix No. 3 of the Chief Accountant's Report lack the requirement of yearly reconciliation with the demand registers (bill books) of the Department as on 31st March 1945. Attention is invited to the danger of allowing the accounts to remain open and without annual reconciliation (on which alone the accuracy of the year's working can be tested and on which rests the safety of non-interference in future with the accounts of such a vast organization as the Bombay Municipal Corporation) emphasized in the last year's Audit Report. The Commissioner appears to have directed the Chief Accountant to carry out the above requirement of closing the annual accounts after due reconciliation promptly (*vide* Municipal Commissioner's letter No. C. 5997, dated the 3rd October 1944 and Standing Committee Resolution No. 985, dated the 20th October 1944) still the Chief Accountant and the Assessor and Collector have not submitted for audit a reconciled set of accounts for the year 1944-45 before the accounts could be closed and accordingly the audit is unable to vouchsafe the accuracy of the books in this respect.

(3) *Estate Agent's Department.*—In the case of the Estate Agent's Department, regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees, etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, audit has been making persistent efforts, since the year 1938-39 to check the tendency of allowing the arrears to accumulate by issue of audit notes; *i.e.*, calling for explanations for delays in taking action aganst defaulters in the initial stages for the large amounts of arrears against some individual tenants in respect of vacated tenancies. These arrears of vacated tenancies do not yet seem to receive as much attention of the departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the departmental officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrence of the cases pointed out by audit and as a result, some improvement has been noticed in that respect.

The reconciliation of figures of collections as shown in the Demand registers of the Estate Agent's Department with those of the Chief Accountant's registers for the year ending 1944-45 has not been received duly verified by the Chief Accountant and therefore the figures shown in Appendix No. 23 of the Chief Accountant's Abstract of Accounts also lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

Since the year 1938-39 the Chief Accountant and the Municipal Departments have not submitted to the Municipal Chief Auditor reconciled annual accounts of the demand, collection and arrears and hence Audit has not been able to verify their accuracy.

Arrears of Rates and Taxes.—The gross demand and outstandings in respect of the property taxes and tax on vehicles and animals were Rs. 371.63 lakhs and Rs. 34.95 lakhs, the percentage of gross outstandings to the demand being 9 and 17.37, respectively. The Assessor and Collector has worked out the figures of demand at Rs.261.33 lakhs and outstanding at Rs. 10.67 lakhs from private parties (excluding mills), showing the percentage of outstandings to demand at 4.08. The figure of outstandings of Rs. 10.67 lakhs does not include sums of Rs. 1.53 lakhs and .22 lakh involved in suits filed and to be filed and the claims payable by the Court Receiver and the Official Assignee, Rs. 3.84 lakhs disputed by the Royal Western India Turf Club in respect of the Race Course and Rs. 10.71 lakhs for amended bills issued in March 1945.

Arrears of rent.—The percentages of arrears to demand in respect of permanent and temporary lettings of ex-Trust properties were 9.66 and 19.02 respectively. The write-off in connection with the temporary revenue was Rs. .48 lakh against the gross demand of Rs. 33.34 lakhs.

Permanent Revenue.—The arrears of the tenants for three quarters and over, which were Rs. 5.44 lakhs on 31-3-1942, Rs. 4.26 lakhs on 31-3-1943 and Rs. 3.37 lakhs on 31-3-1944 were Rs. 3,53 lakhs at the end of the year under report.

Temporary Revenue.—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears.

Schools Committee's Accounts.

(1) The irregularities in the Committee's Accounts are of the following kinds:—

(1) Clerical errors of omission and commission,
(2) Technical breaches of rules and regulations,
(3) Measures involving waste or non-observance of propriety in expenditure and consequent waste.

With reference to items 1 and 2 it may be observed that various kinds of clerical errors and irregularities pointed out in the summary of audit notes in the body of this report are due to slack control in the accounts section of the Schools Committee's Office where necessary exactitude in work and corrective measures for neglects or defaults in proper accounting work are inadequate. It also appears from the numerous questions of accounts coming before audit that the superintending staff of the various sections of the Schools Committee's Office do not realise their responsibility for the quick and strict compliance of rules, regulations and procedure affecting salaries, allowances, appointments, submission of leave questions and their extensions, pay-bills, purchase of stores and articles etc. Due to the persistent efforts made by Audit by issue of audit notes and instructions and occasional reports made to the Standing Committee, the irregularities of the nature described above are being brought under some control but the third one which affects economy in expenditure or prevention of waste needs greater care and control.

(2) *Budget.*—The budget of the Schools Committee is also not being prepared and presented in the manner to facilitate control over details of expenditure like salaries, allowances and such other items according to the usual budget methods. It is also not on the standard adopted and followed by all other sister departments. Although suggestions for the standardisation of the budget and preparation of the Establishment Schedule on the lines adopted by the Commissioner are being continually made in the Audit Reports every year nothing has been done uptill now.

(3) *Cost of Primary Education.*—The cost of Primary Education in the City which was Rs. 39,69 lakhs. in 1939-40 increased to Rs. 55.85 in 1944-45 and the budgeted expenditure for the year 1945-46 is Rs. 61.92. These figures are exclusive of expenditure for supply of milk to undernourished children but include the expenditure on the Schools Clinics and the expenditure out of the receipts of the Schools Committee. The cost per pupil in 1939-40 was Rs. 35.69 which has reached a figure of Rs. 47.07 in 1944-45. This apparently extraordinary rise in expenditure during the last five years may be attributed to the following measures, *viz.*, (1) lowering down of the limit of pupils per teacher from 60 to 40 due to abolition of the shift system in the infant classes, (2) opening of additional central schools, (3) appointments of more special teachers, (4) abolition of the percentage of trained teachers for the purpose of granting trained teachers salaries and increasing the staff of trained teachers, (5) opening of training classes of teachers on a large scale with the ultimate aim of having cent per cent trained teachers in the Committee's service, (6) giving trained teachers grades retrospectively with adjustment of salaries from the beginning of their service without their having rendered effective service as trained teachers during the period, (7) bringing of the greater number of children to schools under the compulsory education drive, and (8) payment of dearness allowances.

This extra expenditure being on the objects for improvement of education it cannot be grudged but the examination of the accounts shows the following items of expenditure of an avoidable nature:—

(1) In the calculation of the ratio of one teacher to 40 pupils (*a*) the special teachers who take the classes in their special subjects during the school hours and (*b*) the teachers who conduct the infant and first standard classes for three hours daily under the dual sessions system and conduct the other classes for the remaining hours are not taken into account (for the hours put in the other classes) and hence the teachers engaged are in excess of the proportion approved by the Corporation.

(2) Special teachers who have to move about from school to school for teaching special subjects are not allotted schools in one zone only so as to save time and conveyance allowances payable to them. If a co-ordinated policy of allotting special teachers to particular schools in particular parts of Bombay with due regard to their location is adopted it would save a good deal of the time and number of such teachers and also the conveyance allowances.

(3) The policy of giving trained teachers grades retrospectively with adjustment of salaries from the beginning of their service (from the day of their acquiring the necessary qualifications) without their having rendered effective service as trained teachers during that period may be considered too liberal.

(4) Abolition of the system of applying cuts to grants-in-aid to aided schools.

These items involve extra cost on account of (*a*) teachers in excess of the fixed ratio, (*b*) additional salaries on account of adjustment of salaries to trained teachers and consequent extra provident fund contributions thereon. Although the introduction of new measures for improvement may be desirable, it should not be made regardless of reasonable economic principle

(4) *Scope of "Primary Education" and activities other than "Primary Education".*—The Corporation by their Resolution No. 641, dated the 7th October 1943 adopted the opinion of the Counsel Mr. B. J. Desai, regarding the scope of "Primary Education," which in his opinion was limited to certain primary vernacular standards only. This gave rise to the question whether the Schools Committee were competent to incur expenditure on items other than those covered by the term "Primary Education" as interpreted by the Counsel. The Corporation, therefore, under their Resolution No. 901, dated the 13th January 1944, authorised the Commissioner to continue to make payment of the monthly contribution to the Schools Committee on the existing basis pending examination by the said Committee of the cases in which expenditure was being incurred in contravention of the legal opinion of Counsel, Mr. B. J. Desai and discontinuance by them of such expenditure, and the Standing Committee under their Resolution No. 1718, dated the 16th February 1944, intimated the Municipal Chief Auditor with reference to his letter No. M.C.A. 416/II of 17-1-1944 that the expenditure may be permitted in audit pending disposal by the Corporation of the report asked for by them from the Schools Committee under the aforesaid Corporation Resolution. The matter is lying before the Schools Committee for the last 1½ years and it is desirable that this question may be decided finally by the Corporation at an early date.

(5) Verification of Stock:— In compliance with the Corporation Resolution No. 259 of 28-6-1943 the Schools Committee reported to the Corporation that the various defects and irregularities in the Accounts of the stock of materials, furniture, etc., reported by the Test Audit Officer would be set right and suggestions made by him would be carried out. Nothing however, has since been done to put the stock verification work on a systematic basis although nearly 2 years have since expired.

Financial Position of the Corporation.

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal proper) was Rs. 429.78 as detailed in the margin against the Budget Estimate of Rs. 393.76, Revised Estimate of Rs. 416.48 and previous year's actuals Rs. 403.99. The realisation was thus better by Rs. 36.02 as compared with the original Budget Estimate and more by Rs. 25.79 as compared with the actuals of the previous year.

Actual revenue realised from the following Important sources:—		Rs.
1. General Tax	...	159.45
2. Water Tax	...	110.26
3. Halalkhore Tax	...	43.03
4. Fire Tax	...	7.24
5. Wheel Tax	...	17.58
6. Licences for trades, land conveyance and music	...	2.62
7. Town Duties	...	19.40
8 Return from property and miscellaneous	...	70.20
Total	...	429.78

Similarly, the actual expenditure charged to revenue was Rs. 412.95 as shown in details in the margin as against the Budget Estimate of Rs. 417.34 and previous year's actuals of Rs. 390·96. It thus resulted less by Rs. 4.39 than the budgeted amount and exceeded the previous year's actuals by Rs. 21.99. The year's working left a Surplus of Rs. 16.83 as against the budgeted deficit of Rs. 23.58.

Actual expenditure charged to Revenue under the following important heads:—		Rs.
1. General Superintendence	...	5.80
2. Assessment and Collection	...	7.89
3. Fire Brigade	...	3.48
4. Public Works (Engineering)	...	69.55
5. Public Health	...	35.56
6. Plague Expenses	...	0.94
7. Education	...	53.86
8. Medical Relief	...	24.14
9. Public Gardens	...	2.33
10. General Stores	...	0.83
11. Pensions, Gratuities and Provident Fund	...	13.58
12. Contribution to Improvement Schemes	...	27.27
13. Miscellaneous	...	7.53
14. Debt	...	124.89
15. Measures for Civil Defence	...	0.70
16. Grain Compensation	...	34.60
Total	...	412.95

The Revenue Fund at the end of the year stood at Rs. 105.26 and after deducting the amount of Rs. 36.19 used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 69.08. This balance at the beginning of the year was Rs. 64.01 and it stood at Rs. 69.08 at the close of the year showing an increase of Rs. 5.07. A reference to the statement of Assets and Liabilities of the Revenue Fund will show that the actual amount of cash and securities held in the Revenue Fund Account was Rs. 232.59 (inclusive of Rs. 106.34 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 102.00 as detailed in the margin as against the Budget Estimate of Rs. 95.40, the Revised Estimate of Rs. 99.63 and the previous year's actuals of Rs. 95.45. The realisation was thus more by Rs. 6.60 as compared with the original Budget Estimate and by Rs. 6.55 as compared with the actuals of the previous year. The actual expenditure was Rs. 99.52 as shown in the margin as against Budget Estimate of Rs. 101.74, Revised Estimate of Rs. 104.73 and previous year's actuals of Rs. 97.95. It was thus less by Rs. 2.22 than the original estimate and was more by Rs. 1.57 than the actuals of the previous year. This gave a surplus of Rs. 2.48 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 5.10 on account of outstanding charges.

Actual income of Improvement Schemes Account realised from the following main sources:—

		Rs.
1.	Rent and other proceeds of properties ...	60.05
2.	Contribution from Municipal Corporation ...	27.27
3.	Receipts on account of tobacco duty ...	10.00
4.	Interest and profits on investments ...	4.40
5.	Miscellaneous Receipts ...	.28
	Total ...	102.00

Total expenditure charged to Improvement Schemes General Account under the following important heads:—

			Rs.
A.—Maintenance of properties and Streets ...			21.39
B.—Cost of Management and Establishment ..	9.79		
C.—Proportionate cost on account of Municipal Supervision ...	0.89		
	10.68		
Less—Charged to General Account and Capital Account ...	10.68		
D.—Debt Charges			78.13
Total ..			99.52

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 53.10 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 53.10 leaving a balance of Rs. .20 on 31st March 1945. It might be mentioned here that the expenditure of Rs. 53.10 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection and supply of Milk to undernourished Needy Children attending Municipal Schools Adding this, the total expenditure on the Primary Education of the City works out to Rs. 56.73. Against this the amount of contribution received from Government during the year was Rs. 9.66.

		Rs.
Income—		
Contribution from Municipal General Fund ...		52.71
Fees ...		0.28
Interest on investments of Trust and other funds		0.06
Miscellaneous ...		0.05
Total ...		53.10
Expenditure—		
Administration of Municipal Schools ...		50.16
Repairs to Municipal School Buildings ...		0.12
Grant-in-aid to Schools ...		2.82
Total ...		53.10

The Capital Account (Municipal) started with an opening balance of Rs. 9.27. Additional funds made available during the year were Rs. 16.28 by raising new loans to the extent of Rs. 15.00 and by taking an advance of Rs. 1.28 from the Municipal Special Funds. The actual expenditure booked was Rs. 15.65 against the Revised Estimate of Rs. 46.83 leaving an unspent balance of Rs. 7.61. The actuals fell short of the Revised Estimates by 66 per cent. This shows a large disparity between the estimated and actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly, the Capital Account (Improvements) started with an opening balance of Rs. 118.08. Receipts during the year amounted to Rs. 38.59. Against this, the actual expenditure was (Rs. 4.23 on schemes, Rs. 21.84 for repayment of loans) Rs. 26.07. The balance left in the Capital Funds at the end of the year was thus Rs. 130.60.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1944 were Rs. 368.23. Credits during the year amounted to Rs. 35.11. The debits booked during the year amounted to Rs. 17.31, leaving a total amount of Rs. 386.03 in the Funds out of which Rs. 325.18 were invested in cash and securities and Rs. 60.85 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the report. Net accretions of the Special Funds during the year were Rs. 17.80.

The balances of the Sinking Funds, Municipal and Improvement Schemes Accounts, amounted to Rs. 365.29 and Rs. 348·66 respectively at the book value of securities.

There was a net decrease in the loan liabilities under the Municipal Account and the Improvements Account during the year by Rs. 27.69 and Rs. 29.15 respectively. Excluding the balances and liabilities of the Special Funds which have been shown in details in the body of the report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1,379.18 for Municipal Account (Proper) and Rs. 1,583.66 for Improvements Account, total Rs. 2,962.84. Against this, the Sinking Fund accumulations at the book value of securities amounted to Rs. 365.29 in the Municipal Account and Rs. 348.66 in the Improvements Account, total Rs. 713.95. The percentages of debt charges on total expenditure of the Municipal Account and the Improvement Schemes account are 30.24 and 78.50, respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1945 held in Office Treasury, Banks and Public Securities amounted to Rs. 14,10,83,227—0—3.

It will be seen from the income and expenditure that the financial position of the Corporation for the year under review was quite sound. Inspite of the additional expenditure to the extent of Rs. 21.99 lakhs over that of the previous year, the year's working left a satisfactory srurplus of Rs. 16.82 lakhs. Which is mainly due to the City's present war time industrial activities and may not be maintained after the return of peace.

However, now with the termination of war, problems of great magnitude await solutions at the hands of the Corporation. The population of the City is fast expanding. There has been an increase of 27 per cent. in the population between 1931 and 1941. According to the Census of 1941 it was 15 lakhs and according to the Rationing Authorities in 1944 it was 21 lakhs. The average density is also correspondingly increasing and the problems of finding adequate and decent housing accommodation, expansion of water supply which has also reached an acute stage and drainage arrangements are the most pressing among many others like expansions of roads, hospitals, fire services, etc. The question of taking over the Bombay Electric Supply and Tramways Company, Limited, whose license expires in 1947 is also pending before them. Moreover, the "Greater Bombay Scheme" for which a Committee of experts has been appointed by the Government of Bombay, may materialize in extending the City limits covering an area of several miles north far off into the suburbs. All this means embarking on a new era of constructing large scale capital works requiring large capital sums, which will make abrupt and heavy calls on the Corporation's revenue in the shape of debt and maintenance charges and will tax a great deal the financial acumen of all concerned in adjusting and preserving the equilibrium of revenue and expenditure in the very near future. It is, therefore, necessary to take immediately on hand the consideration, of the measures necessary for increasing the sources of revenue.

Concluding Observations.

It may be observed that the staff attached to this Department for test audit of the accounts of the Corporation in the Chief Accountant's Office in the executive Departments and in the office of the Schools Committee since its inception in the year 1938-39 is far less than the minimum required for carrying out percentage audit on the basis of established audit practice followed by audit departments of other public bodies like railways and the Government as could be seen from the Municipal Chief Auditor's Report on Percentage Audit underlying Corporation Resolution No. 373, dated the 5th August 1943. Besides the volume of work has been steadily increasing since then as could be seen from number of proposals of the Commissioner for increases in the staff of various Departments including that of the Accounts Department sanctioned by the Standing Committee and the Corporation. Moreover, the qualified persons recruited in this Department from time to time found no attraction to stick to their posts on the sanctioned scales as there were small chances of promotions in the future. They joined this Department merely as a stepping stone in service and left it for better prospects in Government Departments or Commercial Firms soon after. As fresh recruits were also difficult to obtain the different Audit Sections had to carry on without substitutes in cases of the employees going on leave. To remedy all this, proposals for revision of grades of this Department were submitted to the Standing Committee on 10-2-1944 which were sanctioned after a long time of about twelve months with modifications under their resolution No. 1708, dated the 31st January 1945. The grades so sanctioned with modifications have also failed to improve the situation and the qualified men who are called for interview are generally reluctant to take up the appointments on the scales of pay offered by the Department. The question of supplementing the staff for increased work has also been kept in abeyance so long on account of this difficulty of filling up the posts. Due to these reasons, the staff was very hard pressed throughout the year under report to cope up with the work of examining the accounts of the various Departments. It has accordingly not been possible to bring audit to the necessary safe percentage level as reported in the Municipal Chief Auditor's letter No. M.C.A. 1517, dated the 25th November 1940, underlying the Corporation Resolution No. 373, dated the 5th August 1943.

At present the test audit of accounts in the executive Departments is extended to the transactions of income only. As regards expenditure the staff provided is for test check of the books and vouchers in the Chief Accountant's Office only. But it is now desirable to extend the expenditure audit to the initial records and papers on the spot in the executive Departments, also in order to establish due control over extravagance or waste and secure economy. For this the creation of an Outside Expenditure Audit Branch in the Audit Department similar to that of the Government appears necessary. Detailed proposals in this connection are being considered by the Municipal Chief Auditor and will be put before the Standing Committee and the Corporation in due course though here too the main difficulty will be of recruitment unless the scales and chances of promotions are improved to attract qualified persons to join this Department.

Lastly, it may be again observed that the suggestions and observations in this Audit Report have been made by the Municipal Chief Auditor in his own lights, fully realising the following remarks of the eminent Accountant and Auditor, Mr. F. R. M. DePaula in his letter in the "Accountant" dated the 31st October 1942

> "The profession has no compelling powers, whatever its convictions may be, to enforce and carry them into effect, but it has opportunities of suggestions and persuasion which, the public may be assured, are exercised to the full. Generally speaking progressive directorates have not been slow to take advantage of the advice thus tendered. Nevertheless, the hard and inescapable fact is that, subject to the narrow limits of the statutory minima, the powers of an auditor in the matter of the presentation of accounts are persuasive only, and in case of boards which may be timid of innovation or overborne by the weight of tradition he is almost powerless. Under present conditions it is clearly incorrect to charge the profession with responsibility for admitted imperfections which are not of its own seeking."

MUNICIPAL OFFICES,
BOMBAY, *26th September 1945.*

R. C. MEHTA,
Municipal Chief Auditor.

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of Accounts:—

There are three main divisions of Municipal Accounts:—

I.—Municipal Accounts (Proper).
II.—Improvement Schemes Accounts.
III.—School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be sub-divided into:—

A.—Revenue Account.
A1.—Suspense Account.
B.—Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into:—

(*i*) General Account.
(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes, and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year, such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further sub-divided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of Accounts of the Corporation published in the Bombay Government Gazette from week to week.

THE ACCOUNTING SYSTEM.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this, the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3(0) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With the exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of:—

(*a*) Hongkong and Shanghai Banking Corporation,

(*b*) The Chartered Bank of India, Australia and China, London,

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and his Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collection of Municipal dues from taxes, rents of buildings and lands, sale of rights, licence and other fees, etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes, payment of dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor Budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(*iv*) *Payments.*

All bills of establishments, contingencies, works, supplies, etc., received from the departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts not exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans of the the Trust through Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, London.

(*b*) *Daily Accounting.*

The day-to-day transactions of receipts, payments and adjustments are introduced into the main accounts through Day Books. In case of expenditure, prior to passing bills for payment, they are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income, similar arrangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up. As regards miscellaneous advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(*c*) *Weekly Accounts.*

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee [*vide* Section 135(1)].

(*d*) *Annual Accounts.*

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(*e*) *Nature of Audit Check Applied.*

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

Municipal Accounts.

Expenditure.

The transactions covered by Audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the head 'Advances', a separate report is being submitted as usual.

Some of the typical errors and ommissions noticed during the year under report are summarised a sunder:—

(1) *Advance payments made to the Solicitors, Government and other Local Bodies pending receipt of detailed accounts.*

Out of 68 items amounting to Rs. 1,13,006-10-11 advanced to Solicitors, Government and other public

M.C.A. 4169/I bodies upto 31st March 1942 and remaining unaccounted for, upto the close of the year

16-2-1944
M.C.A 604/I 1943-44 Rs. 72,145-15-3 in ten cases were accounted for, during the year 1944-45. The

8-3-1945 Chief Accountant was instructed to expedite the clearance of further 42 outstanding cases amounting to Rs. 58,861 1 0 during 1942-43.

In all 100 cases of advances made upto 31st March 1943 amounting to Rx. 99,721-12-8 were outstanding on 31st March 1945.

(2) Excess or wrong payments and errors and omissions.

(*a*) Amounts of excess or wrong payments or omitted recoveries or short remittances recovered at the instance of audit.

Serial No.	Case No. and Date.	Amount.	Particulars.
		Rs. a. p.	
1	M.C.A. 136/I of 5-6-1944 ...	1 12 0	Excess payment of grain compensation.
2	M.C.A. 149/I of 12-6-1944 ...	0 7 0	Excess payment of grain compensation.
3	M.C.A. 135 I of 5-6-1944 ...	0 2 0	Excess payment of grain compensation.
4	M.C.A. 223/I of 27-7-1944	4 0 0	Excess payment of salary.
5	M.C.A. 109 I of 19-5-1944 ...	3 8 0	Wrong payment of daily allowance and coolie hire.
6	M.C.A. 328/I of 9-10-1944 ...	1 13 0	Excess payment of wages.
7	M.C.A. 339 I of 11-10-1944 ...	0 14 0	Excess payment of dearness allowance.
8	M.C.A. 365/I of 24-10-1944 ...	98 9 0	Wrong claim of Municipal contribution of provident Fund passed in favour of a retired Municipal employee.
9	M.C.A. 315/I of 25-9-1944 ...	2 4 0	Wrong payment of cycle allowance.
10	M.C.A. 387/I of 30-10-1944 ...	0 4 0	Excess provident fund deduction.
11	M.C.A. 216 I of 18-7-1944 ...	1 0 0	Excess payment to a contractor.
12	M.C.A. 4218/I of 6-3-1944 ...	101 10 0	Wrong claim of Municipal conrfibution and interest on account of provident Fund passed in favour of a retired Municipal employee.
13	M.C.A. 505/I of 3-1-1945 ...	116 10 0	Do. do. do. do.
14	M.C.A. 406/I of 4-11-1944 ...	1 0 0	Excess deduction of provident fund subscriptions.

(*b*) In the following cases errors and omissions are brought to the notice of the Departments and got rectified or instructions were issued for future guidance:—

Serial No.	Case No. and Date.	Particulars.
1	M.C.A. 10 I of 6-4-1944	... Particulars not filled in by the Department in the certificate given on a payment bill.
2	M.C.A. 9 I of 6-4-1944	... Government promissory note for Rs. 100 received from private party as deposit not endorsed in the name of the Municipal Commissioner.
3	M.C.A. 100/I of 17-5-1944	. Compensating errors in the Day Book of 8-5-1944 in respect of cheques payable.
4	M.C.A. 205 I of 12-7-1944	... Short credit given in the leave account of an employee of the Works Branch.
5	M.C.A. 49 I of 4-5-1944	... Compensating errors in the Day Book of 9-3-1944.
6	M.C.A. 99 I of 15-5-1944	... Amount debited to a wrong budget head in the Day Book of 2-5-1944.
7	M.C.A. 302 I of 14-9-1944	... Mistakes in carrying forward the balance s in Abstract from the week ending 3-6-1944.
8	M.C.A. 206 I of 12-7-1944	... Short credit given in the leave account of a peon in the Estate Agent's Department.
9	M.C.A. 344 I of 13-10-1944	... Revenue stamp not affixed on unpaid wages certificate. Vouchers also not stamped as "Paid."
10	M.C.A. 325 I of 9-10-1944	... Compensating errors in the Day Book of 26-9-1944
11	M.C.A. 430/I of 18-11-1944 M.C.A. 580/I of 17-2-1945	... Amounts credited to wrong budget heads in the Day Books.
12	M.C.A. 256/I of 10-8-1944	... Debiting of Charges to a wrong budget head.
13	M.C.A. 383/I of 30-10-1944	... Adjustment of monthly recovery to provident fund account in excess by Rs. 10.
14	M.C.A. 121/I of 29-5-1944	... Credit given to wrong account head.
15	M.C.A. 257/I of 11-8-1944	... Payment of Rs. 45 on account of commission charges on 360 bags of gram made without sanction in June 1944.
16	M.C.A. 553/I of 3-2-1945	... Payment of a Pension bill without discharge.

(3) *Rules, Procedure, etc.*

M.C.A. 4168/I, 12-2-1944 & M.C.A. 12/I, 8-4-1944

The three statutory officers, *viz.*, the Executive Health Officer, the City Engineer and the Hydraulic Engineer, appointed under Section 74(1) of the Municipal Act, are required to devote their whole time and attention to the duties of their office and to receive such remuneration as specified therein. In the case of the Executive Health Officer, however, an exception has been made under clause (*ee*) of the said section, so as to enable him to accept any appointment, honorary or otherwise, which has for its object the promotion of public health etc., for such period as may be sanctioned by the Corporation and which in the opinion of the Corporation would not interfere with his duties as the Executive Health Officer. No such provision exists in case of the other two officers.

However, as stated in the last year's Audit Report, Mr. N. V. Modak, City Engineer, undertook the work of examining the schemes prepared by the State Engineers of the Gwalior Government for the improvement of water supply and drainage for the City of Ujjain and accepted from that Government an honorarium of Rs. 1,000 for the same. (Corporation Resolutions Nos. 466, dated the 26th August 1943 and 1028, dated the 10th February 1944).

Similarly he was allowed to visit the works of the Tata Chemicals Ltd., at Mithapur by treating his absence from office as casual leave for 10 days and to advise them on the sanitary arrangements needed for the town (Corporation Resolution No. 716, dated the 25th November 1943) and to accept an honorarium of Rs. 1,500 (Corporation Resolution No. 504, dated the 1st May 1944).

It may be observed that casual leave is not a leave governed by the Municipal Service Regulations made under Section 81 of the Act.

At the request of the Municipal Chief Auditor the Municipal Commissioner obtained opinion of the Municipal Solicitors on the point whether the practice of allowing statutory officers to undertake such private works and to receive remuneration therefor was legally permissible. The opinion so received shows that Mr. Modak's acceptance of outside work and the remuneration therefore was irregular. As this involves irregular payment of salary and allowances to Mr. Modak for the days he was not on Municipal duty and also involves a breach of the condition of his appointment as per the provisions of Section 74 of the Act, the Municipal Commissioner has been requested to regularise it by granting Mr. Modak leave under the Municipal Service Regulations made under Section 81 of the Act and by adjusting his salary and allowances for that period as required by note No. 3 to regulation 81 of the Municipal Service Regulations.

M.C.A. 95/I, 15-5-1944

A staff of one Assistant Engineer, 3 Inspectors and 6 Over-seers was engaged for the work of laying Malad Pipe Line on behalf of Government with fixed conveyance allowance of Rs. 120, Rs. 20 and Rs. 15 per month, respectively. This staff was also paid daily travelling charges aggregating to Rs. 2,644 10 0 during the period of completion of work in addition to the fixed conveyance allowances attached to their posts. Payment of this double bill of travelling charges is irregular and not admissible under any rules, whatever the circumstances and irrespective of the source from which it is paid.

The attention of the Department being called to this irregularity papers were forwarded for audit infomation which showed that as the work was required to be carried out expeditiously by the Military Authorities the Commissioner had ordered the payment of the bills in addition to the fixed conveyance allowances.

I am not prepared to recognize that expeditious execution of the work and the exceptional circumstances explained by the Department could in any way justify payment of fixed conveyance allowances to the staff throughout the period, in addition to the day to day travelling charges. The payment of fixed conveyance allowances in this case was clearly a source of profit allowed to the staff which is opposed to the very fundamentals of the rules regarding travelling charges.

M.C.A. 491/I
29-12-1944

On account of scarcity of material and rapid fluctuations in the rates due to war conditions advance payments were made to the Controller of Stores to enable him to make cash purchases when the market was favourable and to render detailed accounts soon thereafter. According to Chief Accountant's Books advances from April to November 1944 amounted to Rs. 1,17,241-7-0. Deducting therefrom the amounts for which the detailed accounts were rendered, the balance unaccounted for was Rs. 85,947 15 0. Against this cash on hand with the Controller of Stores was Rs. 25,525-14-0. The Chief Accountant was, therefore, instructed to reconcile the difference by carrying out adjustments for the detailed accounts already received by him from the Controller of Stores.

There was also a balance of Rs. 858-15-0 with the Controller of Stores out of the amount of Rs. 9,000 advanced to him for making purchases of stores for Government Milk Scheme but the full amount was found adjusted by the Chief Accountant on receipt of deposit from the Government without any detailed account received from the Controller of Stores.

The cash advanced to the Controller of Stores for market purchases is spent not at one time but as and when the market conditions are favourable. Thus large sums are found remaining with the Controller of Stores for a long time extending over some months in some cases.

It is not desirable to allow such large sums to remain in Branch Offices where arrangements for strong rooms etc., for the safety of such sums do not exist.

The Chief Accountant has, therefore, been requested to cash such cheques himself and keep the cash available for the Controller of Stores as and when required by him.

Reply is awaited.

The Public Works Department, Bombay, requested the Municipal Commissioner to spare tar boilers urgently required by their Contractors Messrs. Gannon Dunkerley & Co., Ltd., for aerodrome construction work at Kalyan. It is not permissible under the Municipal Act to hire out the machinery beyond the City limits and therefore it was agreed with the Contractors to sell the boilers at Rs. 2,500 each provided they agreed to re-sell them to the Municipality when no longer required at the same price less an amount equivalent to hire charges and the cost of repairs required at the time of returning them. (Standing Committee Resolution No. 415, dated the 30th June 1943).

The Company took only 1 boiler and returned it on 10th July 1943, and asked for refund after deducting the charges agreed to by them from the amount of Rs. 2,500 paid by them.

In the books kept by the Chief Accountant, however, the transaction of sale and repurchase has not been recorded as such. But the amount of sale price received from the party was held in deposit and now after deducting the hire charges and the cost of repairs amounting to Rs. 447-2-0, the balance is refunded to the party.

M.C.A. 541/I
29-1-1945

A sum of Rs. 52,500 received on account of rent from Government for R.P.T.B. Hospital at Sewri taken over by them under the Defence of India Rules has been credited to Municipal Revenue. As the Hospital was constructed partly out of the donation received by the Municipality and as it is not used for the purpose for which the donation was received it does not seem to be fair to give credit for the rent to Municipal Revenue. Papers called for in this connection are not yet received.

Re: *Supervision charges on the Sewerage Schemes for the Northern Part of the Island including sludge digestion plant.*

M.C.A. 348/I
4-7-1945

The sanctioned amount of the revised estimate for the Schemes was Rs. 25,24,337 including Rs. 1,47,160 for establishment. The actual cost of establishment amounted to Rs. 1,47,069-10-0 upto 1939-40 when the cost of works exclusive of establishment was Rs. 22,28,842. The works carried out after 1939-40 and upto 1943-44 were to the value of Rs. 1,21,577 on which no supervision was charged for giving 5 per cent rebate to Revenue wihch bears the cost of staff employed for supervision on Capital Works. If this were done, the amount of establishment charges would have exceeded the sanctioned estimate by Rs. 5,988.

The City Engineer being asked to explain the omission to charge supervision on the works carried out after 1939-40 stated that the actual expenditure incurred on the establishment was higher than the sanctioned cost, and it was unfair to charge additional supervision which would add to the already increased supervision charges.

I am unable to accept the City Engineer's reasoning for not showing the cost of establishment at the approved rate on the cost of works. If the establishment charges have exceeded the sanctioned limit of the estimate that is the greater reason why the sanctioning authority, *i. e.*, Corporation, should have been approached either to revise the estimate or to discontinue the supervision charges instead of the charges being omitted without authority.

M.C.A. 326/I
9-10-1944

A sum of annas four remaining unclaimed with the Executive Health Officer out of the payments made to the employees of the Food Rationing enumeartion was paid ot the Snow's Relief Fund. This apparently trivial matter involved a princple that unclaimed amounts however small should go to the Municipal Fund under unclaimed dues and deposits and should not be transferred to a private fund. It was, therefore, got credited back to the Municipal Fund.

M.C.A. 3635/I
7-5-1943

As stated in the last year's Audit Report the practice of allowing the benefit of old leave rules for leave other than sick leave to new entrants in the Fire Brigade Service under Class III as per Rule 148 of the Municipal Service Regulations was not in order. On referring the matter to the Municipal Commissioner the rule has since been amended and brought in conformity with the practice followed. (Standing Committee Resolution No. 1472, dated the 13th December 1944, Corporation Resolution No. 893, dated the 11th January 1945).

M.C.A. 109/I
19-5-1944

The Curator Victoria and Albert Museum attended the Sixth All India Library Conference held at Jaipur in April 1944 and also visited on his way. M. J. Library at Ahmedabad (Corporation Resolution No. 1241, dated the 27th March 1944). He charged in his travelling allowance bill cooly hire and daily allowance in addition to the actual train fare of the class he is entitled to travel. The charge of cooly hire and daily allowance being objected to in audit, he was treated as on deputation to M. J. Library at Ahmedabad for 3 days and was allowed these charges by the Commissioner except for one day on which he attended the Conference at Jaipur for which a recovery of Rs. 3-8-0 was made and credited back to grant.

M.C.A. 3/I
5-4-1944

An employee of the Engineering Department who attended the Sub-Judge's Court at Kalyan as a witness in a private Civil Suit on four different occasions was paid travelling allowance out of contingent grant of the Department instead of from the amount received as Deposit fromthe Kalyan Court on behalf of the party. He was also treated as on duty on those days. This being objected to in audit necessary adjustment was made and the days of absence were converted into leave.

M.C.A. 490/I
29-12-1944

Under the Provident Fund Act as well as under Rule 10 of the Provident Fund Regulations subscriber's provident fund becomes payable on his death, retirement, resignation or discharge. Contrary to these provisions, however, Rule 10 of the Service Regulations and conditions of the labour staff framed by the Commissioner lays down that subscriptions of the labour and artisan class will be considered to have ceased to subscribe to the Municipal Provident Fund in the event of their failure to subscribe for six consecutive months and their subscriptions to the fund will then be refunded to them.

In fact the same cannot be refunded simply on an employee ceasing to subscribe for six consecutive months as per the above Provident Fund Rule.

The Municipal Commissioner has been informed that Rule 10 of the service conditions of the labour staff requires to be suitably amended.

M.C.A. 489/I
29-12-1944

Under Rule 4 of the Provident Fund Rules an employee cannot be said to have elected within three months from the date of his appointment to subscribe to the provident fund prior to the month in which he signs and lodges a declaration with the Chief Accountant. In the case of an employee of the Assessment Department, however, such a declaration was not lodged with the result that all the recoveries made on account of provident fund would have been treated as wrong recoveries and would have therefore been refunded to the employee. No interest on the amount was to be allowed. However, it was noticed that the employee had signed a declaration but the same was inadvertantly filed in the Assessment Department. Municipal Commissioner's sanction was subsequently obtained to condone the irregularity and the provident fund claim was paid to the employee. The Chief Accountant has been asked to explain how the non-submission of the declaration could not be detected in his office and what steps are proposed to be taken to see that the provisions of the Provident Fund Regulations are properly respected in this matter, in future.

Reply is awaited.

M.C.A. 509/I
4-1-1945

While scrutinising provident fund final claim of a cooly working under the Assistant Engineer (Architect) it was observed that despite the definite orders of the Deputy Municipal Commissioner not to grant any further leave unless previous leave without pay granted in advance was recouped by further service the Departmental Head sanctioned 1½ months' extension of leave without pay.

The Municipal Commissioner's sanction was obtained for exceeding the period of leave permissible under the rules made by him and the claim was allowed to be passed.

M.C.A. 365/I
24-10-1944

A provident fund claim of an employee was passed for payment by the Chief Accountant with Municipal contribution, amounting to Rs. 98-9-0, on a certificate from the Department that the employee did serve for 5 years. On a scrutiny by audit with the pay-bills etc., the service was found to be less than 5 years and the Municipal contribution of Rs. 98-9-0 was disallowed.

M.C.A. 183/I
30-6-1944

Security of Rs. 3,000 prescribed by the Corporation for the posts of the paymasters under their Resolution No. 610, dated the 9th October 1939, was found to have been taken by the Chief Accountant from a clerk to the paymaster. His duties were only to assist the paymasters in maintaining accounts, preparing summaries for drawing cheques, etc., and only during casual absence of the paymasters his services were occasionally utilised as a paymaster. It was, therefore, not correct to apply the orders of the Corporation in connection with the security fixed for the posts of paymasters to the post of a clerk. Such cases require sanction of the Standing Committee and the Corporation for fixing the security to be recovered. Attention of the Commissioner and the Chief Accountant has been drawn to this.

M.C.A. 2742/I
11-4-1942

The practice of granting bonuses to the contractors for early completion of works was objected to by audit for the reasons stated at length in the annual Audit Report for the year 1942-43. Although two years have since expired no final reply is received.

(4) *Internal Check.*

M.C.A. 142/I
7-6-1944 &
M.C.A. 637/I
24-5-1945

During July to September 1943 the B. E. S. & T. Co., Ltd., replaced some of the 200 and 300 watt lamps by lamps of smaller sizes. The Company, however, omitted through over-sight to take into account these alterations in the bills for those months and the bills so preferred by the Company were certified as correct by the City Engineer and passed for payment. On 27th of November 1943 the Company wrote to the Municipality about the omission to make due changes in the bills and forwarded a cheque for Rs. 19,886-10-0 being the refund of the excess payments made to them. It, however, appears from the papers that the Department could not detect the changes on such a large scale made by the Company for a period of 4 months till the Company itself wrote about it to the Municipality in November 1943. The explanation of the Department for not detecting the changes in the watts made on such a large scale in the City was as follows:—

> "With the A. R. P. Shades on all the lamps and with the darkening of the globes by painting thereon and the changes effected from day to day due to failure of the bulbs it was impossible to detect and record these daily changes effected by the Company."

For the supervision over the lighting arrangements in the City carried out by Contracts, the Lighting Section of the City Engineer's Department has a good complement of staff there being 1 Assistant Engineer in the grade of Rs. 200-20-400, 2 Inspectors, in the grade of Rs. 150-10-250, 2 Mistries, 20 Mukadams and 3 Peons, maintained at an annual cost of about Rs. 21,000 for pay and allowances. Their work appears to be to supervise the lighting arrangements and to certify monthly bills therefor, and to look after repairs or installations of new lightings to be carried out through the Agency of the Company. It is, therefore, surprising that they could not even get a hint of the changes in watts that took place throughout the length and breadth of the City for about 4 months on a vast scale. It will also be interesting to enquire as to the spheres of duties allotted to the different members of the staff (to keep a watch at night) and the actual duties they were performing during these days and the places and localities at which they are residing. In reply to a query as to the number of proposals for repairs and new installations attended to by the Lighting Section, the Department stated that the number was during

1943-44, 33 and 1 respectively costing Rs. 2,782 on the electric side. It appears from the correspondence that the Municipality could rely on the reports received from the Company as it is a Corporate Body. If absolute reliance is to be put on the reports received from the Company, and it appears from the correspondence that there is no other way then the question for consideration is how far the staff, carried on the Establishment Schedule can be usefully maintained.

It has also been arranged by the Department with the Company that they should send a statement showing the monthly average of different wattages of lamps in the City instead of a detailed statement showing the total number of wattage of lamps of every road which they used to send formerly.

Under the provision of clause 14 of the contract it is stipulated that the illumination of the roads should be as specified in the contract. But the procedure adopted for giving general average of the wattages of lamps in the City would not give specific lighting intensity for each road. Therefore, the change required the sanction of the Commissioner. It however, appears that the papers were never sent to the Commissioner. An audit note to this effect has been sent to the Commissioner on 24th May 1945 to which reply is awaited.

M.C.A. 534/I
25-1-1945

On my visit to the D Ward Stables of the Conservancy Department, the clerk in charge stated in reply to my query that Hay Book was not written up for that day as the Contractor had not supplied the quota of hay. The quantity of grass lying thereat at 12 Noon was about 2½ Bales which was presumed to be the balance of the previous day as the Mukadam gave me to understand. Next day the Stable Mukadam produced a slip of paper stating that 7 bales of grass were received at 9 A.M. (B.T.) and that the slip was placed on the table of the Veterinary Inspector who being on casual leave that day, the supply remained to be entered in the Register. Neither the bigari nor the Clerk had any knowledge of the receipt of hay. The slip produced was not initialled by the Ward Supervisor whose duty it is to check the qaulity and quantity of hay immediately on receipt thereof. It is therefore, doubtful whether the supply was actually received.

Test check of the Hay Book further revealed that certificates of weighments were not signed by the receiving officer (Veterinary Inspector), while on two days (as per this register) there was no hay to feed the bullocks with. The question therefore is as to what was served to the bullocks on those days. There was also no agreement between the quantity of grass entered in the register as received during December 1944 and the one shown in the statements attached to the Contractor's Bills for that month. The Contractor's bills are not supported by receipts of hay, issued to them by the Department.

Explanation of the Head Supervisor Conservancy called for in the matter is not yet received.

M.C.A. 2332/I
11-10-1941

It was stated in the Audit Report for 1941-42 that the B. E. S. & T. Company, Ltd., agreed to take meter readings for billing purposes in presence of the Station Officers of the Mechanical Engineer's Department so that the Officers could verify the consumption shown in the Bills before certifying the bills for payment. The same procedure was to be followed by the other Municipal Departments. However, the Company found it difficult to send their men exactly at the time intimated by the Departments and therefore it was suggested by the Executive Health Officer that the different Officers were asked to maintain a record of their own readings preferably on the last working day of the month and report them to the Chief Accountant. It case a large variation was noticed in the readings shown in the bills and those taken by the Departental Officers the matter was to be taken up with the Company. The Executive Health Officer in reporting to the Municipal Commissioner stated that the procedure was given a trial for six months and the readings taken by his staff did not serve much useful purpose nor was anything extraordinary noticed in the bills and that the Company being a pubilc utility concern their accounts were under proper control and the figures shown by them should be accepted as correct. The practice of recording readings by the Departments has therefore been discontinued with the Municipal Commissioner's approval.

Similarly the Commissioner has allowed the City Engineer to discontinue the practice of recording readings by the Departments in his charges with instructions that whenever large variations are noticed the matter should be brought to the notice of the Company.

M.C.A. 32/I
19-4-1944

For a large stock of materials lying with the Controller of Stores for over three years, he has been asked to furnish the dates of purchase and the Departments at whose instance the materials were indented. The information has not so far been supplied by him.

M.C.A. 3618/I
3-5-1943

As mentioned in the last year's Audit Report papers in connection with the High Court Suit No. 122 of 1938 showed that a sum of Rs. 1,342-6-0 was recoverable from a certain party. The Assessor and Collector has been requested to show how and when such dues are recorded in his books in order to ensure against likely omissions of recoveries thereof. Reply is still awaited.

M.C.A. 440/I
24-1-1945

No register showing the receipts and consumption of drugs, medicines, etc., was found maintained at No. 7, District Dispensary. At the instance of Audit the Executive Health Officer has passed instructions that registers in the form specified by him should be maintained in all Dispensaries under him as a measure of control over the receipts and issues.

A.E. 675
31-7-1941

A list of all the Municipal Offices or Branches with their locations showing persons working thereat by their designations who are required to handle cash, stores or account books was ordered to be prepared by the Municipal Commissioner at the instance of Audit. This is essential for the purpose of fixing responsibility on the persons concerned in case of default in their legitimate items of work as stated in the last year's report.

Although more than 4 years have since expired the required list is not received inspite of several reminders.

M.C.A. 3798/I
28-7-1943

Unclaimed amounts on account of (1) deposits from private parties, (2) wages and salaries, (3) cash bills are from time to time removed from suspense account and credited to Revenue. Sums so credited to Revenue were being recorded in a separate register for item No. 1 and on loose sheets for items 2 and 3. The sum total of the amounts so recorded was however, not reconciled annually by the Accounts Department with the total credits given to Revenue on these accounts. Due to this, several omissions were found in the Register and on audit suggestion the Commissioner has instructed the Chief Accountant to keep the account in a properly bound register and to reconcile it at the end of each year beginning from 1st April 1944.

M.C.A. 84/I
12-5-1944

A chaviwala of the Hydraulic Engineer's Department who was absent from 12th March 1943 was found to have been charged at full rate in the pay-bills from March to May 1943 as if he was on duty Explanation called for from the Department is awaited.

Services of an employee of the K. E. M. Hospital who was on leave were terminated on 4th March 1942. Subsequently he died on 10th May 1942. In the provident fund final claim however, cause of termination of service was shown as death and Municipal contribution which was not admissible, total service being less than five years was allowed. On pointing out the discrepancy the period from 4th March 1942 to 10th May 1942 was treated as leave without pay.

M.C.A. 229/I
2-8-1944

An employee of the K. E. M. Hospital was shown as on leave without pay upto 1st March 1944 in the pay bill. He was charged for 29 days and his substitute for 2 days in the month of March. On enquiry it was explained that the permanent employee was absent on two days, i.e., the 1st and the 17th. There was no remark as to the absence on the 17th in the pay-sheet. It is, therefore, not understood how the charge for a substitute was made and passed by the Chief Accountant in the pay-bill without necessary remarks therein.

M.C.A. 407/I
4-11-1944

On test-checking the interest allowed on individual provident fund accounts of the Municipal employees at the close of the year 1943-44 cases of excess or short interest were noticed. Mistakes were also noticed in the totals of the summaries of the provident fund balances as on 31st March 1944. To minimise the possibilities of such errors it was suggested that the rate of interest may be fixed in decimals so as to facilitate calculations and to save time. The Chief Accountant however, explained that special interest tables were being prepared to enable the staff to check the same with speed and accuracy.

M.C.A. 225 I
28-7-1944

(5) *Imprest Accounts.*

The amount of petty cash advance with the various Municipal Departments as on 31st March 1945 was Rs. 22,231-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of the charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking.

(a) *Miscellaneous Departments.*

During the year, in 34 cases surprise test-checks of the imprest accounts of various Departments were made. The irregularities noticed in the accounts were communicated to the Departments through the Commissioner. Defects of common nature are summarised as under:—

(1) Payments without sanctions.
(2) Payments made without obtaining proper discharges.
(3) Necessary particulars of travelling not given in some conveyance bills.

The practice of submitting bills for conveyance charges by Municipal employees was discontinued under the orders of the Commissioner for paper economy and hence the entries made in the contingent account books for payments are required to be properly attested by a responsible officer and signed by the persons receiving payments.

Audit scrutiny of these charges is, therefore, mainly to see that they are fair and reasonable, they are properly sanctioned and that due discharge is given by the payees in the Contingent Registers.

Some instances of typical irregularities noticed are given below:—

Regarding the reference (made in the last Audit Report) for payments of conveyance charges to the Legal Assistant and his peons for taking papers home from office and back, the Legal Assistant exxplained that due to very heavy pressure of work in his office he had to incur such charges. The Commissioner issued instructions that the total charges so drawn during 1943-44 be met out of his Discretional Contingent Grant.

M.C.A. 3971/V
17-12-1944

In the last annual report it was mentioned that the Assistant Engineer and the Mechanical Inspector of the Outside City Division of Water Works Department were paid train fares for coming to and going back from the City although they were getting Rs. 25 and Rs. 20 per month respectively as conveyance allowance. The Hydraulic Engineer explained that the conveyance allowance was for travelling done within their jurisdiction for visiting places at a distance from the Municipal trolley lines and that the train fares were paid for coming to and from Bombay on official business.

M.C.A. 4239/V
27-3-1944

It may be remarked that in the outside City Division there can hardly be any place of work at a distance from the trolley lines requiring the use of a conveyance and on the line itself municipal trolley is available. It is, therefore, a question whether fixed conveyance allowance is justified in addition to the actual train fares.

It was mentioned in the last report that although a carpenter is borne on the Schedule of the Malaria Department, a sum of Rs. 7 was advanced to the Conservancy Department by Assistant Health Officer Malaria for repairs to six chairs. The Executive Health Officer explained that the carpenter of the Malaria Department was transferred to work in the Conservancy Department for administrative purposes and that the repairing work in the Malaria Branch was being attended to by the carpenter under the direction of Head Supervisor, and therefore the chairs were got repaired through him. The Commissioner has issued instructions to the Executive Health Officer that a record of work done by the Carpenter for Malaria and other Branches should be kept and then a proposal for transferring the post to proper service head be put up for the Budget of 1946-47 so as to show necessary changes in the Establishment Schedule of that year.

M.C.A. 4113/V
17-1-1944

(1) The balance of imprest cash in hand of the Fire Brigade Office was found at the time of test check, to be Rs. 225 against the book balance of Rs. 221-13 6. The Officer explained that three items of expenditure entered in the Contingent Register were paid by the Deputy Chief Officer and not immediately recovered by him from the cash box, and that, in order to obviate any delay in paying conveyance charges of the staff the Deputy Chief Officer used to make payments and adjust them as soon as possible afterwards. The Commissioner issued instructions that payments should be made immediately after the entries were made in the Contingent Book.

M.C.A. 263/V
17-8-1944

(2) The balance of imprest cash in hand of the Manager, Municipal Printing Press, was found to be more by Rs. 0 0 6 at the time of test.chceck. This was explained to be due to a half anna postage stamp paid by the Deputy Superintendent out of his pocket.

M.C.A. 264/V
17-8-1944

M.C.A. 271/V
25-8-1944

(3) In several imprest vouchers of the City Engineer's Building Branch, particulars of conveyance charges were not given. The City Engineer has since issued instructions to the staff to note proper particulars of conveyance charges.

M.C.A. 284/V
31-8-1944

(4) In two imprest vouchers of the office of the Assistant Engineer (Drainage), signatures on the declaration forms and those on the discharge differed. This being pointed out fresh signatures of the payee were obtained.

M.C.A. 298/V
11-9-1944

(5) In the sub advance given to time keeper of the Mechanical Engineer's Office it was noticed that (1) although the cash balance tallied with the book balance, there was a mistake in the totals and rupee one was in excess; (2) in two vouchers the conveyance charges paid to employees were in excess of the amounts due; (3) sanctions were not obtained on several vouchers, and some vouchers showed double way charge for single journeys performed. The Mechanical Engineer explained that wrong total was got corrected; that the excess payment amounting to As. 2 in two vouchers was recovered from the employee and that needful was done with regard to other irreggularities.

M.C.A. 456/V
1-12-1944

(6) Railway freight paid on account of exchange of or supply of plants from imprest moneys by debit either to grant or to special fund "Gardens Fund" remained unadjusted against deposit in one case, and in four cases it remained unrecovered since 1941. To facilitate watching of the recoveries it was suggested that the railway freight charges, etc., in such cases should be debited to the Advance Account. Reply is awaited.

M.C.A. 510/V
4-1-1945

(7) The imprest cash balance of Commissioner's Office was found in excess by Rs. 0-1-6. Stamps worth Annas 15 with the Stenographer were not accounted for as an advance in the imprest account. Most of the payments were sanctioned by the Office Superintendent although he is not authorised to do so. Reply is awaited.

M.C.A. 607/V
8-3-1945

(8) The contingent registers of the Office of the Curator Museum and Chief Librarian were written by the officer himself. He also used to keep the cash. The usual formalities of sanctioning the expenditure was not being noted in the Register. It was suggested by Audit that the work of writing of the Registers and preparation of vouchers, etc., should be entrusted to a clerk in his office and he should supervise and exercise sanctioning authority. The suggestions have been adopted.

M.C.A. 651/V
2-4-1945

(9) At the time of test check there were only 26 current season tickets against Rs. 28 shown as deposits with the Railway Companies in the contingent register of the Assistant Engineer (Architect). This being pointed out one rupee has been recovered in respect of a season ticket issued to a Peon. Further reply is still awaited.

M.C.A. 654/V
2-4-1945

(10) Sanction was obtained for purchase of two fan belts at a cost of Rs. 9-1-6 while the Contingent Register of the Assistant Engineer (Maintenance), Water Works Department, showed Rs. 5-5 0 for only one belt. This being brought to the notice of the Department the second one was prchased on 19th April 1945 the cost of both the belts being kept within the limit of sanctioned amount.

M.C.A. 661/V
5-4-1945

(11) Against 31 current Railway season tickets issued to employees the amount of deposits with the Railway Companies as shown in the Contingent Register of the Hydraulic Engineer's Office was Rs. 33. Explanation is awaited.

M.C.A. 665/V
10-4-1945

(12) A spoilt stamp paper costing Rs. 1 8 0 was shown in the Contingent Account of the Legal Assistant's Office as balance of Revenue Stamp in hand, instead of being removed from the accounts with the Commissioner's sanction. A temporary assistant on a fixed salary of Rs. 90 was paid taxi and gharry hire to the tune of Rs. 36 6 0 for attending Courts, during January 1945. Ordinarily an emplovee of his rank should use cheaper modes of convevnace available in the city. Reply is avaited.

M.C.A. 525/V
13-1-1945

(13) Imprest account of Health Department Head Office—Two sub vouchers for articles purchased locally by the Propaganda Officer at a cost of Rs. 5 8 0 were not available; correct details of journey was not shown in a conveyance voucher and the postage expenses amounting to Rs. 3 7 6 incurred from 10th August 1944 to 8th January 1945 in respect of Government Milk Scheme were merely shown as advance with the despatch clerk. Reply is awaited.

M.C.A. 654/V
10-4-1945

(14) Rupees 57 were shown as deposits with the Railways in the Contingent Register of Market Department, against 55 current railway season tickets. A sum of Rs. 55 was found to have been advanced by the Head Clerk, out of his pocket for meeting day to day expenses. Reply is awaited.

M.C.A. 717/V
3-5-45

(15) Against a payment of Rs. 2-5-6 for purchase of news papers the amount booked in the Contingent Register of Arthur Road Hospital was Rs. 2-7-0 which was recovered from the Chief Accountant. The clerk maintaining the imprest account had advanced Rs. 6 to meet day to day expenses out of his own pocket. Reply is awaited.

M.C.A. 273/V
25-8-1944

(16) Errors and omissions as detailed below were noticed in the imprest account of the Welfare Organizer's Office—

(*i*) Discharges of the payees not obtained on some vouchers.

(*ii*) Full details of journey and mode of conveyance used not correctly shown in the conveyance vouchers; even the dates of journeys were not shown in some vouchers.

(*iii*) Amounts in words not written in many vouchers.

(*iv*) Price of some magazines paid at varying rates at different centres.

(*v*) Mistakes in preparing duplicates of vouchers sent to the Chief Accountant.

(*vi*) Excess and short amounts billed for and paid in some conveyance vouchers.

(*vii*) For a bill of Rs. 10 for purchase of a foot ball As. 10 only were shown in the Contingent Register.

(*viii*) A voucher made out for daily news paper 'Lokamanya' for 30 days in June 1944 though there are no issues of the paper on Mondays.

(*ix*) The usual certificate that the balance in hand was counted and found correct not given in the register at the close of each month.

With a view to avoid duplication in writing detailed accounts of all vouchers in office and for observing uniformity at all the Welfare Centres, a suggestion has been made to the Executive Health Officer by Audit for maintaining Contingent Books at different centres. Reply is still awaited.

M.C.A. 402/I
1-11-1944

At the surprise check of the imprest account of the Chief Accountant's Office on 28th October 1944 one anna and three pies were found short in the amount of advance of Rs. 15 held by the Despatch Clerk for postage. The clerk explained that the stamp of the same value was mixed up with some papers and was found on 30th October 1944.

(6) Miscellaneous.

M.C.A. 276/I
29-8-1944

The permanent lessees of plots of lands (both of Municipal and Trust Schemes) have to pay to the Municipality one Rupee annual nominal rent. For this purpose an arrangement has been made with the lessees to deposit with the Municipality a sum of Rs. 50. The money so received from the lessees lies in the Surplus Municipal Balances and equivalent amounts are being invested in Government paper. The interest realised is credited to Rent Account to the extent of rent due and the balance to Revenue under interest and profit on investments of Surplus Balances, etc. Obviously the investment in paper is made by the Municipality at the risk and cost of the Municipality for their convenience, the party being entitled to receive Rs. 50 back in cash at any time. Thus the securities are purely Municipal and no income tax is chargeable therefor.

No exemption from Income-tax is however, asked for by the Chief Accountant on these securities. The Chief Accountant was advised to arrange for exemption but he writes to say that the securities are held on behalf of the lessees and no exemption can be claimed. This money is of the lessees but technically the holding of this money along with all other surplus fund balances in paper is Municipal for all practical purposes. I think it cannot be denied therefore, that these securities form part of the Surplus Municipal Fund investments. This view is supported by the fact that the balances of interest left after adjusting the rents due are appropriated as profits on investments of surplus balance. The Chief Accountant should, therefore, take early steps to claim necessary exemption of Income-tax on the securities which duly belong to the Corporation.

M.C.A. 125/I
30-5-1945

In the Budget Estimates for the year 1944-45, the grant under III.—Education Primary, was shown as Rs. 52,78,679 as against sanctioned one of Rs. 53,67,479, *i.e.*, less by Rs. 88,800 (Corporation Resolution No. 1228, dated the 23rd March 1944).

M.C.A. 182/I
30-6-1944

Following kinds of discrepancies were observed in the Registers of Securities furnished by the Municipal employees maintained in the Chief Accountant's Office and got rectified:—

(*i*) Securities discontinued without any remarks.
(*ii*) Designations and dates of appointments of employees furnishing securities not written.
(*iii*) In complete remarks and remarks in pencil and unattested remarks in some cases.
(*iv*) Period for which contribution made to the Fidelity Guarantee Insurance Fund incorrectly shown.

M.C.A. 3662/I
19-5-1943

A human articulated skeleton was prepared by the laboratory attendants and other Municipal servants of the Anatomy Department and was supplied to the G. S. M. College. The Dean prepared a bill in his own name and sanctioned the payment for distribution of the amount among the employees. Technically no Municipal Officer can sanction payment to himself although the amount is within his sanctioning powers. At the suggestion of Audit necessary sanction of the Municipal Commissioner was obtained.

M.C.A. 1967/I
30-4-1941
&
M.C.A. 1117/V
14-5-1940

As reported last year realisations of fines imposed by the Presidency Magistrates for offences against provisions of the Municipal Act was a source of Municipal Revenue prior to 1st April 1939 by virtue of the provision of Section 111 of the Act. Legal title to this Revenue ceased since 1st April 1939 owing to Government of India Order 1937 (adaptation of Indian Law). Government of Bombay have since been paying grant-in-aid on the basis of realisations of fines paid into Government Treasury after meeting all expenses in connection therewith. Registers maintained to watch recoveries of outstanding fines by the Departments have been discontinued. The Chief Presidency Magistrate was requested by the Municipal Commissioner at the instance of audit to furnish the amount of outstanding fines as on 1st April 1939 and the recoveries made thereagainst during the succeeeding year and credited to the Municipal Fund as grant-in-aid. The statements submitted by the Chief Presidency Magistrate on 19th November 1942 revealed large variations in the amount of outstanding fines between the statement and the Departmental Registers as on 31st March 1939. Such statements for years ending 31st March 1942, 1943 and 1944 were also called for by the Municipal Commissioner on 28th June 1944 to which no reply has so far been received.

M.C.A. 601/I
5-3-1945

Cash collections at cheap milk centres under the Government Subsidised Milk Scheme are paid direct in the Chief Accountant's Office by the managers concerned, while the classification of the money collected in respect of milk sold to (*a*) infants, (*b*) public and (*c*) excess is made in the Milk Office, which also prepares the daily remittance slip which is sent to the Chief Accountant and from which entries are made in the books of accounts. Such classified statements are some times unduly delayed. The procedure also involves duplication of work.

The Municipal Commissioner has, therefore, been requested to ask the Chief Accountant to do the needful to avoid delay and duplication of work. Reply is awaited.

M.C.A. 559/I
12-2-1945

The staff engaged in the Government Subsidised Milk Scheme is required to handle cash and stores for the working of the milk centres and it is therefore necessary to obtain security from such staff.

A statement of such staff with securities fixed has therefore been called. Reply is awaited.

Questions of facts in accounts.

M.C.A. 4169/I
16-2-1944

(*a*) An amount of £ 16 (Rs. 215-3-3) advanced to Mr. R. S. Nimbkar, Municipal Councillor in 1939 for attendances as a delegate of the Corporation at the Health Congress held in Scarborough, England, was found outstanding in the objection book, in absence of any detailed account of the expenses submitted by Mr. Nimbkar. The Chief Accountant for explanation submitted papers showing that Mr. Nimbkar was requested to render detailed account but he could not do so as his luggage and papers were destroyed by enemy action in London and the Commissioner accepted the amount as a final charge.

(*b*) As stated in the last year's report an excess of Rs. 95-9-0 was found with the pay-master in the Chief Accountants' Office in the balance of the provident fund claims passed during April and May 1942 and was credited to the deposit account. The reason of the excess not being traced after the accounts for the year were reconciled, the amount was passed for payment to the paymaster concerned. The Chief Accountant explained that his predecessor had passed the claim on the ground that the paymaster had mixed up the balance of provident fund advances and unpaid wages and had suffered a loss of Rs. 500 in payment of salaries on another occasion. It may be observed that it is not correct to pay over such excess found in the balances to the employees concerned unless the reasons are properly traced and they are definitely proved to be their own money and accordingly the payment was objected to in audit and was disallowed by the Commissioner. However, on a further representation being made by the ex-paymaster the Deputy Municipal Commissioner referred the case to the Legal Assistant who stated that the amount could be equitably paid to the employee as there was no grave dereliction of duty on his part and the Municipality was not to be put to any loss and accordingly the payment was made to him under the orders of the Deputy Municipal Commissioner. The question is not one of Law or equity, but one of facts in the accounting records which cannot prove that the amount belonged to the employee and not to the Municipality due to short payments which sometimes is the case.

M.C.A. 3090 I
20-9-1943

It may be observed that accounting records are an exact representation of facts and although the questions are minor ones the acceptance of final charges or claims without support of details or facts would amount to unusual treatment in accounts. In such unusual cases the procedure ought to be to seek previous approval of the Municipal Chief Auditor who as the final audit authority of the Corporation may or may not allow such charges and claims at his discretion to go finally in the books of accounts.

Budget grant for purchase of stores by the Controller of Stores has been supplemented by Rs. 6 lakhs raising it to Rs. 18 lakhs during 1944-45. As this was an abnormal increase, information has been called for showing articles of stores in or outside Stores Schedule which the Controller of Stores was called upon to purchase by the City Engineer for carrying out petty works departmentally.

M.C.A. 630-I
19-3-1945

It may be noted that there is an annual contract for carrying out petty works and in spite of that it is a matter for enquiry why petty works were undertaken departmentally on a large scale so as to necessitate market purchase of extra materials to the extent of Rs. 6 lakhs at high rates.

Information called for from the City Engineer is not yet received and it is not possible to offer any further remarks in the matter.

As reported last year some of the Road Rollers sold to the Government of India were not found recorded in the Plant and Machinery Register of the Chief Accountant. The Chief Accountant explained that only such Plant and Machinery for which depreciation is provided are entered in the Plant and Machinery Register in his office. He was, therefore, requested to take steps to see that all the Plant and Machinery from whichever source they were purchased and whether depreciation was provided or not were taken on the records so as to have necessary control over their utilization and disposal. He accordingly reports that the Departments have been asked to keep complete registers in the Departments showing all the Plant and Machinery in their charge. Machinery so recorded in the Departmental Registers should also undergo proper verification by the Test Audit Officer who informs me that the work of verification will be taken up as soon as the staff sanctioned for the purpose is made available to him.

M.C.A. 3976-I
22-10-1943

The question of completing the Plant and Machinery Registers and their verification by the Test Audit Officer was first raised by Audit in the yea r 1939-40 but has not reached any satisfactory stage of completion.

Plant and Machinery purchased out of Capital Funds during 1943-44 were found not entered in the Plant and Machinery Register maintained in the Chief Accountant's Office. It was necessary to keep this register posted upto-date to facilitate verification of the statements of Plant and Machinery sent by the Municipal Departments. The Chief Accountant was, therefore, requested to take the postings upto-date and total expenditure agreed with the figures appearing in the Appendix No. 9 of the Annual Accounts for 1943-44.

M.C.A. 408/I
4-11-1944

The needful has been done.

Plant and Machinery in charge of MunicipalDepartments.

Reports of the Departments in respect of the following observations appearing in the last year's Audit Report have not been still received :—

M.C.A. 4071/I
21-12-1943

"(1) Some of the machinery in charge of the City Engineer was stated to be unserviceable. It was therefore suggested that if the machinery was not required to be replaced the advanced amount should be adjusted.

"(2) Certain machinery in charge of the Hydraulic Engineer was certified to be in existence as on 31st March 1941 as per remarks in the Chief Accountants' books. In the statement for 31st March 1942, however, it was stated that the machinery was scrapped in 1939-40. Some machinery shown in the statement was also not on the Chief Accountant's books.

"(3) Some machinery shown in the statement against the Mechanical Engineer's Department was stated to be not in his charge by the Mechanical Engineer."

No statements for the year ending 31st March 1945 have been submitted duly verified by the Chief Accountant to the Municipal Chief Auditor along with the accounts for the year. Therefore the figures on account of machinery shown as assets in the Municipal Accounts without supporting certificate of their existence can not be vouchsafed.

Upto the time of writing this Report in August 1945, statements of Plant and Machinery in charge of several Municipal Departments with the verification certificates thereon of the Test Audit Officer are received for the year ending 31st March 1944 from the Departments of the Hydraulic Engineer, the Executive Health Officer, the Assistant Engineer (Architects), the Assistant Engineer (Drainage), the Officer Commanding Fire Services, Election and Town Duty Officer and the Assistant Engineer (Asphalt). The statements of the remaining Departments are still outstanding. It may be remarked here that these are matters not merely of accounting records required to be examined by the auditors at any future dates but live questions of certification as to the existence and verification of moveable properties of the Corporation which are money equivalent and should require prompt attention of the Accounting Authorities before making up and submission of the annual accounts each year.

M.C.A. 2969 I
4-8-1942

It is trusted that in future prompt attention will be given to submit these statements along with the annual accounts.

M.C.A. 960/I — 19-9-1935

Certain lessees of Improvements Schemes or Municipal plots, who had to pay a nominal ground rent of rupee one per year, placed a permanent deposit of Rs. 50 with the Municipality (with option to return it to the lessees at any time) to hold it for the benefit of themselves or their assignees and to meet out of the income derived therefrom the rental of rupee one per annum payable by them. Under this arrangement, the money so received from the lessees is credited to their account and form part of our Cash Balances in the Surplus Fund and are invested in public securities at the risk and cost of the Municipality. Out of the income received from the securities, the amount required for rental charges at rupee one per annum is credited to rent account and the excess to the Improvement Schemes or Municipal Revenues as the case may be. The investment of Rs. 15,368 so made out of these moneys appears in the Municipal Balance Sheet under the Heading "Investment of Surplus Moneys in public securities," on the Assets Side and is represented on the Liabilities Side by cash deposits under the item "Deposits in cash and public securities from contractors and private parties." The face value of securities should accordingly appear on the Assets Side in the Balance Sheet under "Investment of Surplus Moneys, etc." in the column for face value of securities against Rs. 15,368 just in the same manner as all other Municipal securities with the Imperial Bank are shown therein. Instead of that, these particular securities are credited (for face value) to depositors' account and debited to the account of contractors' securities with the Imperial Bank of India, with the result that the depositors' account is credited twice ove r (once for cash and again for face value of securities purchased out of that cash). Thus the amount of Rs. 1,06,34,346 shown in the Balance Sheet (Appendix No. 5) as deposits in cash and public securities from contractors and private parties includes a sum of Rs. 16,800 (face value of securities) in addition to the cash of Rs. 15,368. This is not a correct representation of the transaction in the Balance Sheet and is due to a wrong treatment of the transaction in the accounts .

Gardens.—The Stock Registers for consumable and non-consumable stores and dead stock 'n the Head Office were last verified by the Stock Ver fiers on 7th January 1942. Since then the stock at the Gardens has not undergone any check. The reg sters also do not bear initials of the Overseer in charge in token of his having exercised a periodical check of articles in stock with the Store-keeper. In addition to the registers of stock in the Garden Office for articles issued to the public gardens a separate register is maintained showing balances of each kind of articles with each garden from time to time. This register and the stock shown there n with the public gardens never undergoes any check at the hands of the Stock-verifier. The register also does not show any in tials or attestat ons of the Over-seer in charge in token of his having exerc sed any periodical checks over the actual articles in hand with the garden malis.

Requisitions made to the Departments for papers or informations in connection with the following matters are not yet complied with inspite of several reminders :—

Serial No.	Case No. and Date.	Subject.
1	M.C.A. 3969/I of 22-10-1943	... *Re*: Municipal articles lost on the salvage work at the collapsed building at Jamshedji Tata Rd.
2	M.C.A. 4198/I of 24-2-1944	... *Re*: Creation of temporary posts for staff on private streets.
3	M.C.A. 131/I of 1-6-1944	... *Re*: Excess deductions made from the wages of a Labourer, Hawker's Branch.
4	M.C.A. 441/I of 21-11-1944	... *Re*: Disparity between the budgeted figures and actual revenue collected upto 30-9-1944
5	M.C.A. 497/I of 30-12-1944	... *Re*: Double recovery of provident fund subscriptions from the salary of an employee in the HealthDepartment.
6	M.C.A. 537/I of 29-1-1945	... *Re*: Certain charges booked against a particular budget grant.
	M.C.A. 539/I of 29-1-1945	... Do. do. do.
8	M.C.A. 540/I of 29-1-1945	... Do... do. do.
9	M.C.A. 560/I of 12-2-1945	... *Re*: Short and excess recoveries of provident fund subscriptions in a pay bill.
10	M.C.A. 561/I of 13-2-1945	... *Re*: Laying of sludge gas pipe to K. E. M. Hospital.
11	M.C.A. 629/I of 14-3-1945	... *Re*: Excess recovery of provident fund.
12	M.C.A. 648/I of 31-3-1945	... *Re*: Indent not attached to a bill.
13	M.C.A. 4235/I of 27-3-1944	... *Re*: Debit to grant for 1943-44 for charges incurred during 1942-43.
14	M.C.A. 636/I of 22-3-1945	... *Re*: A voucher on account of bill of cost of Messrs. Crawford, Bayley & Company.
15	M.C.A. 240/I of 3-8-1944	... *Re*: Payment of Rs. 1,00,000 to a Contractor for removing debris.
16	M.C.A. 111/I of 22-5-1944	... *Re*: Various advances made to the officer-in-charge of Relief Work in connection with the explosion of 14-4-1944.

Assessment Department.

This is the main revenue earning Department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. Though some improvement is noticed in this department in the work of presentation of bills and serving of demand notices since the question of delay in recoveries was taken up by audit in the year 1938-39, yet there appears to be much scope for improvement in expediting recoveries by early legal action and in completing the revaluations of owner occupied properties and open lands in the City. It seems desirable to subject such properties to a periodical test check by an independent officer. Such a practice would go a long way to insure alertness on the part of the departmental officers. The number of bills left outstanding in respect of property taxes and wheel tax as on 31st March 1945 was 22,031 aggregating to Rs. 41,43,758-2-5 as against 21,821 aggregating to Rs. 33,20,076-9-9 in the previous year. The outstanding of Rs. 41,43,758-2-5 is inclusive of the Urban Immovable Property Tax amounting to Rs. 9,61,848-13-0.

Filing of Suits.

Since additional staff has now been given to the Legal Assistant's Department for the purpose of expediting legal action (*vide* Corporation Resolution No. 1216, dated the 13th March 1944), it is hoped that swift timely action will now be taken against defaulters to effect recovery of taxes.

Amongst the bills outstanding on 31st March 1945, about 1,400 bills were found enfaced for part-payment of water or other taxes and some of these were even enfaced for part-payments more than once. This leads one to believe that the house owners by such part-payments try to delay the legal action to be taken against them by the Municipality with the consequent result in accumulation of arrears.

Reconciliation of Books.

M.C.A. 3681/IV 27-5-1943 & M.C.A. 766/IV 30-5-1945

The Chief Accountant and the Assessor and Collector have not submitted for audit a reconciled statement of account for the year 1944-45. In the circumstances, the accounts of rates and taxes presented to audit and to the Corporation have remained unbalanced and unreconciled as heretofore and therefore it is not possible for the Municipal Chief Auditor to vouchsafe the accuracy of the figures of collections as on the bill books of the Assessment Department and the books of the Accounts Department severally and interse.

Books.

M.C.A. 3935/IV 30-9-1943 & 16-4-1945

On being pointed out by audit that the different sections of Assessor and Collector's Department had not completed the registers for the year 1942-43, instructions were issued by him to the staff to do the needful. Fresh instructions were also issued by him in connection with the maintenance of the account of the demand and outstanding of notice and warrant fees, etc. As regards closing of form IV (wheel tax registers) he stated that it involved immense labour, clerical energy and time and suggested that as usual the number of motor vehicles taxed for the quarter would be shown in the last volume of each ward and the figures of revised demand quarter by quarter as actually worked out from the bill books would also be shown therein. Audit disagreed with this suggestion as it was not possible under such a system to test the correctness of the total amount of bills issued during the year and shown in the bill-books with the wheel-tax registers. As the form IV for the year 1943-44 was not also closed as required, a further reference was made to the Assessor and collector to do the needful early. His reply is awaited.

M.C.A. 2301/IV 2-10-1941

The amount of collection of bill No. D14039 for Rs. 188-15-0 for 2nd half of 1939-40 and the notice fees were shown in pencil instead of in ink in the summary bill book of 1940-41. The date of payment was not mentioned and the amount was found included in the page total of collection. Similarly on page 85 of the same bill book two items of notice fees were shown in the column for collection without showing date of payment and included in the page total. The Assessor and Collector was asked on 2nd October 1941 to complete the entries in the bill book by giving dates of recoveries. Three years after, the Assessor and Collector replied that the record for the year 1940-41, during which the collection of the bill and the notice fees was made, had been destroyed and the actual dates of collection could not be ascertained. He, however, certified that the bill and the notice fees were actually recovered. This was brought to the notice of the Commissioner. Audit would have found no difficulty to accept the Assessor and Collector's certificate in this respect if the totals of collections shown in his bill books were reconciled with the revenue collections shown in the Chief Accountant's books. In spite of audit insistence, year after year, nothing seems to have been done to effect such reconciliation by any of the departments.

Outstanding Bills.

Among the bills outstanding on 31st March 1945, 1,438 bills were found partly paid in respect of water tax, etc., as under:—

A Ward	...	127
B Ward	...	209
C Ward	...	114
D Ward	...	391
E Ward	...	155
F Ward	...	140
G Ward	...	302
Total	...	1,438

The part payment of bills is a favourite method with certain rate payers to cause delay in taking legal action for the recovery of taxes. Such part payments are not casual but is a sort of procedure followed by some parties against whom balances of bills remain hanging year after year. Postponement of legal action against them on receipt of part payments is, therefore, a sort of encouragement to them in these kinds of tactics.

M.C.A. 385/IV 30-10-1944 and 5-4-1945.

It was noticed by audit in one case that though the name of the assessees appeared in the Telephone Directory having a telephone connection in C Ward, an amount of Rs. 4 due from them in respect of A Ward bill No. 2121/2013 for 2 hand carts for the quarter ending 30th June 1943 were written off (*Vide* S.C.R. No. 1879 dated the 1st March 1944) on the ground that the assessees were not traceable. This was brought to the notice of the Assessor and Collector who traced out the parties in C Ward and recovered the bill on 29th November 1944.

M.C.A. 581/IV 17-2-1945

Bills for the period prior to January 1939 in respect of the property C Ward No. 3569, Street No. 13, Tadwadi, were written off as irrecoverable (*Vide* S.C.R. No. 1514, dated the 20th December 1944). The same property was however acquired by the City Engineer in January 1939. and the amount of compensation in respect thereof was paid to the party in March 1939 without ascertaining and deducting the Municipal dues therefrom. Explanation of the City Engineer has been called for but not yet received.

Defects of the following kinds were noticed in the Outstanding Bills:—

M.C.A. 55/IV 5-5-1944 (1) Bills receipted in advance.

M.C.A. 77/IV 10-5-1944 (2) Amount written in words and in figures differed in some bills.

M.C.A. 54/IV 5-5-1944 (3) Duplicate bills produced for audit.

M.C.A. 72/IV 10-5-1944 (4) Bills not produced for audit.

In most of these cases the needful was got done. In some cases the Assessor and Collector's reply is

M.C.A. 61/IV
8-5-1944
M.C.A. 73/IV
10-5-1944
M.C.A. 62/IV
8-5-1944
M.C.A. 78/IV
10-5-1944

awaited. In several cases differences were found in the figures of outstanding bills in the Ward Office Abstracts and in the Head Office Ledgers and got reconciled.

The Head Office Ledger of D Ward for the tax on vehicles and animals relating to the period prior to the year 1942-43 was not made available for audit. The Assessor and Collector informed audit that in spite of strenous efforts the same was not traceable. The Deputy Municipal Commissioner directed the Assessor and Collector to continue the attempts to trace the ledger. The Assessor and Collector's reply is still awaited.

M.C.A. 127/IV
31-5-1944
M.C.A. 126/IV
31-5-1944

The Assessor and Collector was requested to furnish certificates from the Legal Assistant for bills shown as outstanding on 1st April 1944 and lodged in Court as exhibits. The certificates have not been received so far.

M.C.A. 71/IV
10-5-1944

Six bills were written off under Standing Committee Resolution No. 2015, dated the 29th March 1944 but were shown outstanding on 1st April 1944. The Assessor and Collector explained that the recall mema in respect of the 6 bills written off on 29th March 1944 were sent to the wards on 30th March 1944 but as the bills were not received from them by 1st April 1944, they were shown as outstanding on that date.

M.C.A. 214/IV
14-7-1944

In several cases of Wheel Tax bills written off, the following defects were noticed:—

M.C.A. 4073/IV
23-12-1943
M.C.A. 3929/IV
28-9-1943

(*i*) Presentations of the bills to the parties were much delayed.

(*ii*) Some of the bills due from parties who had joined the war services were written off. It would have been advisable to keep these bills pending till the end of the war and to try to recover them wherever possible. Time bar does not come in the way of parties who are willing to honour their debts when demanded.

(*iii*) Some bills written off were against persons whose assets were in charge of the Custodian of Enemy Property. There was no haste to remove these bills from the outstanding lists till the Government saw their way to settle the claims even after the end of war.

This tendency of going in for write off before tapping all sources of recovery was also evidenced in another case No. M.C.A. 38/IV/ of 30-10-1944, where the bill was written off before the expiration of the limitation period on the ground that the assessees were not traceable though actually their names continued to appear in the Telephone Directory.

Drawbacks.

In certain drawback cases vacancies mentioned by the Superintendent in his monthly inspection statement did not agree with those mentioned in the declaration forms. The Assessor and Collector explained that the disparity was due to the fact that some of the vacant holdings became occupied before the dates of inspection and due to conflicting information received by the ward inspector from the tenants of the property who were illiterate.

M.C.A. 46/IV
29-4-1944

A room in the drawback claim in respect of property bearing C Ward Nos. 186-187 was certified by the Superintendent as vacant from 7th January 1943 to 4th May 1943 (for nearly 4 months) while the owner had declared it to be vacant from 1st January 1943 to 31st January 1943. (*i.e.*, for a month only). The Assessor and Collector explained that it was through inadvertence of the Superintendent, that the loss was calculated for four months. He also admitted that the irregularity pointed out by audit disclosed the slipshod manner in which the case was disposed of by the Superintendent and the Ward Inspector. The entries in the Field Book also did not conform to the certificate given on the Drawback claim. The Superintendent and the Inspector were censured for negligence by the Municipal Commissioner.

M.C.A. 397/IV
31-10-1944

In another drawback case of property No. C Ward 5425, the staff concerned was warned by the Deputy Municipal Commissioner to be more careful in calculating the period of vacancies, etc. in future on being pointed out by audit that the loss in the case was erroneously calculated for 5 months instead of for 4 months.

M.C.A. 4231/IV
31-3-1944

Refund of drawback of Urban Immovable Property Tax in respect of a property belonging to one party was passed in favour of the owner of another property and *vice versa*. The matter was got rectified by making recovery of excess payment from one and paying it over to the other.

M.C.A. 3901/IV
21-9-1943

Refunds.

Refund for vacancy of Shop No. 65 of Property C Ward No. 5177 was allowed for the half year ended 30th September 1942 after deducting rent for the stall in front thereof, while refund for Shop No. 67-A of the same property was allowed without making such deduction. The Assessor and Collector explained that the rateable value of the property which was then in force, did not include the rents of the stalls in front of the shops and therefore the deduction in rent made in respect of the shop No. 65 was not correct and that refund was correctly allowed in respect of the other shop and a supplementary claim for refund in respect of the shop No. 65 was passed. To a further audit query as to whether the stalls were duly valued and assessed, the Assessor and Collector explained that the rents of the shops were fixed higher by the owners in expectation of sub-lettings which were usual in that locality. This means, the shops were valued with the stalls as one unit and if that is so, refunds for the partial vacancies of shops only could not have been made.

M.C.A. 3834/IV
16-8-1943

In this case a discrepancy was noticed between the date up to which refund was allowed and the date upto which the premises were reported as vacant by the Superintendent. The Assessor and Collector explained that the date shown by the Superintendent was incorrect due to confusion on account of the rooms having been renumbered by the owner. It was set right.

M.C.A. 115 IV
24-5-1944

In this case although the refund of general and water-tax was allowed, the water connection was not closed. The Hydraulic Engineer explained that the connection could not be closed as the water taps in the gardens attached to two other properties received supply from that connection. It was then enquired of the Hydraulic Engineer as to why the supply was not metered. He explained that the gardens contained only small shrubs watered by water cans and did not consume much water.

M.C.A. 4166 IV
11-2-1944

In this case of refund relating to the period ending 30th September 1941, the vacancy report was not issued till 9th December 1941. There were no verification notes of the inspecting officers on the vacancy. The Assessor and Collector explained that the party by his letter, dated the 7th April 1941 applied for refund in respect of the said property for the vacancy for the previous half year and also gave notice of continued vacancy for the 1st half of 1941-42. This letter was not construed by the Assessor and Collector's staff as notice for vacancy for 1st half of 1941-42 and was treated only as an application for refund for the previous period. The mistake came to the notice of the department when the party applied for refund for the 1st half of 1941-42 on 8th October 1941, and hence verification report could not be called for in time.

M.C.A. 3704 IV
19-5-1943

Refund on account of vacant land in B Ward was allowed for the 2nd half of 1943-44 although the Superintendent had reported that the land was used for trade purposes and as residence by one person and although no reply was received by the Assessor and Collector to his letter, dated the 2nd February 1944 asking the party to state the date from which the land was let. To an audit query the Assessor and Collector explained that the land was temporarily occupied by the unauthorized hawkers and hence refund was allowed.

M.C.A. 43 IV
20-11-1944

Refund of water tax was allowed in case of vacancy of property D Ward No. 338 for the 2nd half 1942-43, although the party had not given notice to stop water supply to the vacant premises as required under Section 177 of the Municipal Act. In reply to an audit query the Assessor and Collector explained that the party had asked, in his notice of vacancy, refund of all taxes. His words "all taxes" were construed to include water tax, and it was an indirect intimation to stop water supply. Instructions are however now issued by the Assessor and Collector to his staff not to allow refund of water tax in such cases in future.

M.C.A. 219 IV
20-7-1944

In this case a refund of Re. 1 allowed in excess was got recovered from the party.

M.C.A. 4232/IV
31-3-1944

In the refund cases for the half years ended 30th September 1941, 31st March 1942 and 30th September 1942 in respect of D Ward property bearing No. 3646(4), an amount of Rs. 10-9-0 was found refunded in excess and was got recovered.

M.C.A. 101/IV
17 5-1944

Refund on account of vacancy of the plot of land bearing D Ward No. 3514 (1AB) was allowed for the 2nd half 1943-44 although it was used for growing vegetables as stated in the vacancy report. The Assessor and Collector's explanation is awaited.

M.C.A. 468 IV
8-12-1944

Valuations.

Certaidvertisement hoardings fixed on the properties belonging to Panjrapole since 1936-37 were found to have remained unassessed upto 1942-43. The Assessor and Collector explained that the section wherein the advertisement hoardings were situated was mainly in charge of two ward inspectors whose duty it was to see during their annual inspection of every property that no property escaped assessment. One of them was punished for his lapses in connection with a Drawback case and reduced from the post of Deputy Superintendent to the post of Assistant Superintendent, and the other had left Municipal service.

M.C.A. 70 IV
10-5-1944

In one Tabulated Ward Report it was stated that an additional pavilion was built upon, completed and occupied since 1st Octobe r 1942, yet the increase in valuation on that account was found to have been given effect to from 1st December 1943. On audit query the Assessor and Collector explained that the date of construction and occupancy shown as 1st October 1942 in the T.W.R. was through oversight.

M.C.A. 242 IV
3-8 1944

A proposal to increase the valuation of a property as a case of rise in rents was postponed on the ground that the 4th floor block fetching a rent of Rs. 490 per month was vacated by a tenant. Audit enquired as to whether a fresh proposal for increase was subsequently made. The Assessor and Collector explained that the fourth floor was since occupied by the owner and was valued at Rs. 155 per month. He also explained that against Rs. 490 at which the block was let in 1939-40 looking to the area, air, light, etc., the block occupied by the owner was reasonably assessed at Rs. 155 per month.

M.C.A. 347/IV
13-10-1944

The valuation of the land bearing G Ward No. 4039(1A) was cancelled on the ground that it served since 1st November 1943 as an amenity to the main building under G Ward No. 4039(I). To an audit query whether the valuation of the latter property was correspondingly increased since 1st November 1943, the Assessor and Collector replied that before the shed represented by G Ward No. 4039(1A) was erected, the land covered by the same was only an amenity to the main building assessed under G Ward No. 4039(I). When the shed was separated from that building no proportionate reduction was made in the valuation of the building. Consequently when the shed was demolished and the land covered by the same reverted as an amenity of the main building as before, there was no ground for an increase in valuation of the main building.

M.C.A. 67 IV
10-5-1944

A tiled shed bearing G Ward No. 460(3) was assessed at monthly rent of Rs. 10. The Assessor and Collector was asked to state the basis on which the rent of Rs. 10 per month had been adopted, as the rate of rent per brass appeared rather low. He explained that if the shed were converted into 3 single room tenements they would fetch a monthly rent of Rs. 9 only.

M.C.A. 105 IV
18-5-1944

M.C.A. 4103/IV
10-1-1944

The property bearing B Ward No. 3019 was treated by the Assessor and Collector as vacant and under repairs from 21st June 1943 as per the party's letter dated the 18th June 1943, whereas according to the Hydraulic Engineer it was occupied up to the middle of August 1943. The Assessor and Collector and the Hydraulic Engineer were asked to reconcile their statements. The Assessor and Collector reported that the property in question was inspected by the Ward Inspector, the Deputy Superintendent and the Assistant Assessor on different dates in the month of July 1943 *viz.*, 13th July 1943, 22nd July 1943 and 26th July 1943 and all of them found the 2nd floor as well as other floors entirely vacant. The property was again inspected on 9th August 1943 by the Ward Inspector when also it was found vacant. The Hydraulic Engineer, however, reported that the ground and the 2nd floor of the property were found occupied on inspection on 6th July 1943 and the owner of the premises was even informed, by a letter, dated the 12th July 1943 that the water supply which was common to all the floors, could not be closed as the ground and the 2nd floor tenants would be inconvenienced. Again on inspection by his staff on 11th August 1943 the 2nd floor was found occupied and the owner as well as the Assessor and Collector were intimated about it. On subsequent visit of the premises on 2nd September 1943 the 2nd floor was found vacant. As the reports of both the departments were thus conflicting, the Deputy Municipal Commissioner asked them to have a joint inspection of the property and to submit a joint report. The Hydraulic Engineer reported that certain persons who were found on the ground floor of the property at the time of joint inspection on 18th July 1944 were the very persons who were found occupying the 2nd floor when the property was previously inspected by his Inspector on 11th August 1943. On the other hand the Assessor and Collector reported that the Hydraulic Engineer had informed the party by his letter, dated the 17th August 1943 that the 3rd floor of the property was occupied but by a subsequent letter, dated the 15th September 1943 he had corrected that statement and informed the party that it was the 2nd floor and not the 3rd floor as the property consisted of a ground and two upper floors only. From the definite but contradictory assertions made by the two departments as to the existence or non-existence of the vacancy it is difficult to make out the truth.

M.C.A. 396/IV
31-10-1944

In a complaint case the rent of Rs. 570 for three godowns on the ground floor of a property entered as "stated" rent in the Tabulated Ward Report, was reduced to Rs. 365. It was, therefore, enquired by Audit how "stated" rent could be reduced. The Assessor and Collector explained that at the time of inspection of the property byt he ward staff, two of the godowns were locked and the tenant of the third who paid a rent of Rs. 190 per month intimated that the rents of the other godowns must be the same as that paid by him. All the 3 godowns were thus taken at Rs. 190 each in the T.W.R. The owner complained against the value based on this rent. Subsequent inquiries and the party's statement at the hearing of the complaint revealed that the rent of the three godowns was Rs. 365 per month.

M.C.A. 359/IV
21-10-1944

A land with two cocoanut trees was assessed at Rs. 4 per tree. To an audit query as to why the land should not be assessed on cost basis the Assessor and Collector explained that the land was an amenity to the house of the same owner assessed under G Ward 2593(1) and should not be separately assessed on cost basis and the valuation based on the yield of the trees would be cancelled if the trees fall down.

M.C.A. 649/IV
31-3-1945

Under Tabulated Ward Report No. 329, dated the 15th September 1944, the valuation of property bearing D Ward No. 2555(6D) was proposed to be increased with effect from 1st April 1944. In estimating the increase, the scale of increase in rents from floor to floor up to the fourth floor was not maintained in estimating the rent for the 5th floor. On enquiry the Assessor and Collector explained that the area of the 5th floor was only 972.70 square feet as against 1,757.76 square feet of the 4th floor, but through mistake the areas of both these floors were reported in the Tabulated Ward Report to be the same. The Deputy Municipal Commissioner warned the staff concerned to be more careful in future while reporting the areas in such cases.

M.C.A. 595/IV
1-3-1945

In the Tabulated Ward No. 579, dated the 15th November 1944 of F Ward, rent of the 1st floor of the property bearing Ward No. 2707 occupied by the owner was estimated at Rs. 20 as against Rs. 25 for the ground floor occupied by his nephew. Audit enquired as to why the rent of the 1st floor was lower than that of the ground floor. The Assessor and Collector replied that the rent of the 1st floor was correctly estimated, as it was not a regular floor and there were no sanitary arrangements on that floor and the occupier of the 1st floor had to go to the ground floor for water and privy.

M.C.A. 435/IV
20-11-1944

The rateable value of the property bearing D Ward No. 3196 (1D) was reduced from Rs. 815 to Rs. 410 with effect from 23rd February 1944 due to demolition of an out house. The land was converted into a garden forming an amenity to the property bearing D Ward No. 3196 (4A). Audit enquired whether the valuation of the latter property was correspondingly increased. The Assessor and Collector replied that the property D Ward No. 3196 (1D) originally represented an out-house with 6 rooms and 2 garages. As a portion of this shed consisting of the 6 rooms was demolished, its value was modified on the basis of the rent of the remaining portion, *viz.*, the garages. As the site of the demolished portion which was converted into a garden, had no separate letting value, it was treated as an amenity to the main house assessed under D Ward No. 3196 (4 A).

M.C.A. 613/IV
8-3-1945

In revising the valuation of the property D Ward No. 3440(1) a garage mentioned in the Tabulated Ward Report had not been taken into consideration in calculating the rateable value. To an audit query the Assessor and Collector replied that two bungalows in this compound bearing ward Nos. 3440(1) and 3440(2) had a common garage. The rent charged to the tenants of both these bungalows was inclusive of the use of the garages and hence the garages were not valued separately. From the particulars given in the Tabulated Ward Report it could not be made out that the rent of the bungalow was inclusive of rent of the garage. The Municipal Commissioner, was, therefore, requested to issue orders to the Assessor and Collector's staff to record in the Tabulated Ward Report full details of portions of properties the valuations of which were not independently shown.

M.C.A. 313/IV
22-9-1944

In response to an audit inquiry as to whether there were any orders specifying the period within which the valuations of all the properties in the wards should be examined by the Ward Superintendents and the Assistant Assessors and if so whether any register was maintained showing that the valuations of all the properties had been duly examined by them within that period, the Assessor and Collector forwarded the following explanation for information with the approval of the Commissioner:—

"There was a departmental order, dated the 11th April 1932 directing that every property in the ward should be inspected by the Superintendent or his Deputy at least once in 3 years and that a register should be maintained of the properties so inspected. Monthly statements showing the progress of ins-

pection and fortnightly returns of properties tested by the Superintendents for reporting on the Tabulated Ward Reports were required to be submitted. This practice however appears to have been discontinued since long.

"A systematic and serial check of properties to ensure that no property escapes assessment has been already introduced, *vide* item 6 of the Minutes of the Conference held on 21st August 1943. To implement this check, I have now directed that the order dated the 11th April 1932, should be brought again into force and strictly complied with. The Superintendents have, however, since represented to me that the 3 years limit should be raised to 5 years as in view of the enormous development of the City it is not possible to keep to their daily average on the 3 years basis. I fully appreciate their difficulty and propose to fix the period at 5 years. This is also the period fixed for revision of Government and Port Trust properties in the City. The English Acts also contemplate a complete revision once in 5 years.

" As for Assistant Assessors, the Assessment Manual provides that they should inspect about 25 per cent of the Tabulated Ward Report proposals. The manual, however, was compiled in 1882 *i.e.*, over 60 years ago and since then the City has developed beyond recognition. In view of their multifarious duties the Assistant Assessors find it well nigh impossible to adhere to this percentage. Yet they do their utmost to inspect as far as possible all important properties and complicated cases of assessment.

"I have recently issued instructions that all properties the valuations of which have remained unaltered during the last 5 years should be personally seen by the Superintendents and Deputy Superintendents and a report made if a revision in any case is called for. A list of such properties has already been made and the properties are being inspected and brought on the rise where necesary."

It will be seen from the above that the orders of 1932 requiring the Superintendents and Deputy Superintendents to examine all the properties within a period of 3 years and for maintaining a regular register of the properties so examined had long since fallen into disuse and have been revived as a result of audit note with a modification that the period covering the examination of all the properties should be five years instead of 3 years. Thus a definite programme has been fixed so far as the work of the ward superintendents is concerned and it is hoped that audit will get clear record of the examinations carried out by the ward Superintendents at the end of each year under these orders. However the Assessor and Collector's reply that Assistant Assessors will do the utmost to inspect as far as possible all important properties and complicated cases of assessment is not satisfactory. They may have yet other duties to perform but there must be a definite rule requiring them to bring their work in this respect to a certain specified minimum without which necessary control over the work of the Superintendents cannot be brought except in cases which are brought before the Assistant Assessor in a routine manner.

Water By meter measurement.

The following omissions and irregularities found in the Meter Reading Register were brought to the notice of the department and got rectified:—

M.C.A. 253/IV
10-8-1944
M.C.A. 3908/IV
23-9-1943
M.C.A. 4242/IV
29-3-1944
M.C.A. 386 IV
30-6-1944
M.C.A. 4243/IV
29-3-1944

(1) Some recoveries of meter hire not noted in the Meter Reading Register.

(2) Some cases of water consumption not noted in the register or incorrectly noted or changed subsequently without attestations.

(3) Bills in two cases not issued although the figures of water consumption were filled up.

(4) Size of the meter incorrectly noted in one case.

(5) Bills for meter hire not issued in four cases.

Replies to audit references in connection with the following defects in the Meter Reading Registers are still awaited:—

M.C.A. 517 IV
9-1-1945
M.C.A. 518 IV
9-1-1945

(1) Notes of recoveries not taken in the Meter Reading Register for 1943-44 in 13 cases,

(2) Figures of consumption of water not noted in the Meter Reading Register in 4 cases, and

(3) One case of a property described as Dhobighat and Dyework (*Vide* entry No. 176 on page 5 of F Ward Meter Reading Register for 1943-44) charged at As. 12 per 1,000 gallons although it was charged at As. 14 for the previous half year ending 31st March 1943.

M.C.A. 3894 IV
18-12-1943

Water by meter measurement at the property B Ward No. 4459-5149 was charged at As. 12 per 1,000 gallons instead of at As. 14 for the period from April to September 1943. The short recovery of Rs. 119-2-0 was got made.

M.C.A. 502 IV
2-1-1945

The property bearing F Ward No. 2041(1) described as Dhobi Ghat and Dye Works had been charged the rate of As. 12 per 1,000 gallons since the half year ending 30th September 1943 instead of at As. 14. The short recovery of Rs. 230-15-0 was got made.

M.C.A. 300 IV
21-11-1944

A horse stable belonging to the Western India Turf Club bearing D Ward No. 3907(2) was charged water by meter measurement at the rate of As. 14 per 1,000 gallons for the half year ending 31st March 1944. The Assessor and Collector has been asked to state whether the stable is a building appurtenant to the race course and if so, why it has not been charged at Re. 1 per 1,000 gallons. Reply is awaited.

Compounded Water Tax.

M.C.A. 176/IV
4-6-1944

Certain properties representing Dharamshalas were charged for water at a compounded rate without recording relevant facts as to whether any fees were charged therein or not. Some other properties were also similarly charged a compounded rate, although there was no provision to that effect in the Water Charges Rules. Explanations were called for and needful was got done to regularise the matter.

Certain goshalas, cowsheds, servant quarters, godown used as a residence of pujari and the Panjrapole property were being charged compounded water rate though they did not appear to have been covered by the Water Charges Rules for exemption from Water Tax. The Assessor and Collector being asked to explain, stated that the ghoshalas were an adjunct to the temple and they were therefore treated as the places for public worship and exempted from the water tax on value. On this the Commissioner decided that the number of the cows for worship in each goshala should be restricted to 6 and the compounded water tax may be allowed only in respect thereof. The exemption in respect of other properties were cancelled as they were no longer used as goshalas.

M.C.A. 2915/IV
29-6-1942

As regards the property described as "godown used as residence of the pujari" it actually consisted of three godowns and exemption was allowed only for that portion which was used as a godown for storing hay for the animals in the Panjrapole. As for the Panjrapole property, though it was justifiable to charge general tax and water tax for the portion where trade or business in milk was being carried on, it was considered by the Commissioner as advisable to continue the exemption and the levy of compounded water rate, as he thought it inexpedient to disturb a practice in which the Municipality had acquiesced for so many years past.

Miscellaneous.

On enquiry as to why the property bearing A Ward No. 3227 (1BBB) str. No. 197 AM was granted exemption from the General Tax, the Assessor and Collector explained that the property represented a cow shed erected in the year 1928 by the Trustees of the Alandi Dharma Kata on a plot of Municipal land in the compound of Arthur C. Market which was let at a nominal ground rent of Re. 1. The cows kept in the shed were being worshipped by the Maratha Community.

M.C.A. 361/IV
21-10-1944

The Assessor and Collector was asked to state the action taken for the recovery of arrears of water tax in respect of the portion of property bearing E Ward Nos. 4691-93 which escaped to be taxed either by meter measurement or on valuation since the year 1933-34. No reply is still received.

M.C.A. 306/IV
16-2-1945

In several cases exemption from General tax was found to have been given to places used for caste-dining purposes or used for storing vessels or for cooking purposes in connection therewith or occupied as residence by watchman for caste dining place. Similarly in case of a temple with pujari's residence, the pujari's residence was found to have been exempted. The Assessor and Collector was therefore asked to explain whether any fees were being charged in connection with these caste-dining places and if so how could they be exempted from general tax and why the residences of the watchman and the pujari were exempted from General Tax. He replied that all the caste-dining places in the City were exempted from general tax as only nominal charges were being recovered for using the utensils and other articles and for consumption of electric energy. With regard to the Watchman's residence, as the watchman's services were required in connection with the caste dining place, the exemption was allowed. Similarly with regard to pujari's residence exemption was allowed as the pujari's presence was quite necessary for the temple on the ground floor.

M.C.A. 352/IV
13-10-1944
M.C.A. 353/IV
13-10-1944
M.C.A. 384/IV
30-10-1944

In this connection the Assessor and Collector was further asked to send a copy of legal opinion, if any, showing that the word "Charitable" as used in Section 143 of the Municipal Act covered caste-dining halls and other places. His reply is awaited.

It was noticed that the property bearing F Ward No. 4022 (1-2) and comprising a house and a zawli shed was not charged Halalkhore-tax although it had privy accommodation. The Assessor and Collector has been asked to account for the omission. Reply is awaited.

M.C.A. 573/IV
16-2-1945

It was enquired of the City Engineer as to when the street number plates were affixed to the properties bearing F Ward No. 4806(3), 5187(4), and 5188 and to state the cause of delay in preparing bills therefor. He explained that the street number plates were fixed in the year 1939. At the end of the year 1941-42 the staff specially employed for the house-numbering work was disbanded and that work was transferred to the Buildings Branch. On taking a survey of the work done then, it was found that no bills were issued for the plates under reference. Bills were therefore prepared and sent to the Assessor and Collector for recovery on 3rd February 1942.

M.C.A. 60/IV
8-5-1944

The Assessor and Collector's reply to certain defects noticed in the test check of receipt books is awaited

M.C.A. 592/IV
28-2-1945

Wheel Tax.

During the year, nearly 1568 cases were noticed as a result of test-check of 25 per cent of the entries in the wheel-tax registers, wherein no bills were issued by the Department for tax on vehicles, animals, etc. Out of these, replies for 386 cases have so far been received from the Assessor and Collector to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City or their being under repairs, etc. 1,182 cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

It was observed that the Assessment Department did not take proper notes in the registers whenever the vehicles were transferred from one place to another and as a result no certainty was felt whether a particular vehicle (against which no remark of bill appeared) was taxed in any other ward or not. The Department was written to several times to avoid this omission but this irregularity still continues.

An amount of Rs. 60 for bills due from one Miss Zubeda Gulam Rasul was written off under S.C.R. No. 1002, dated the 22nd October 1943. It appears that the motor car was registered in the name of the party in the Police Commissioner's Office and stood registered there up to 12th February 1940. No bills for the period from 1st October 1938 to 31st March 1939 were however issued. Bill for the subsequent quarters ending 30th June 1939 and 30th September 1939 were issued on 24th October 1939 and 20th October 1939 respectively and were presented to the party on 16th December 1939. The notice of demand was served as late as on 8th July 1941 by Registered Post after the car was actually removed to Calcutta on 12th February 1940. Thus the write off appeared to be the result of delay caused at various stages in the beginning although correspondence shows a good deal of trouble taken by the Department later on which proved useless after the removal of the car to Calcutta.

M.C.A. 4056/IV
13-12-1943

M.C.A. 50/IV 18-5-1945.

The bills in respect of a vehicle which were due for the period commencing from 1st July 1942 were issued so late as on 22nd November 1943 after the cancellation on 5th November 1943 of the registration of the vehicle in question. The Assessor and Collector's explanation is awaited.

M.C.A. 150/IV 14-6-1944

Remarks such as "vehicles sold or removed, petrol coupons not issued etc," made in the Wheel Tax registers were in some cases in pencil and not attested. As a result of audit note necessary instructions are issued by the Assessor and Collector to his staff.

Cases showing recoveries made at the instance of audit for omissions, under-charge or excess refunds :—

Serial No.	Ward.	Case No. and Date.	Particulars.	Amount.
				Rs. a. p.
1	C	M.C.A. 253/IV of 10-8-1943 ...	Figures of consumption of water by meter for the 6 months ending 31-3-1944 not filled in and bill in respect thereof not issued in case of item No. 79 on page 4 of the M.R.R. of C Ward.	67 6 0
2	D	M.C.A. 386/IV of 30-6-1944 ...	Supplementary bill not issued for the excess consumption of water recorded for the half year ending 30-9-1943 in respect of item No. 422 on page 4 of M.R.R. of C Ward.	12 8 0
3	C	M.C.A. 386/IV of 30-6-1944	Meter hire for the year 1943-44 not demanded in respect of item Nos. 799, 440 and 435 on page 19 of the M.R.R. of C Ward.	105 0 0
4	A	M.C.A. 385 IV of 30-10-1944 ...	A ward bill No. 2121/2013 for 2 handcarts for the quarter ending 30-6-1943 written off as irrecoverable from a firm which was shown as not traceable though their name continued to appear in the Telephone Directory.	4 0 0
5	B	M.C.A. 3894/IV of 18-12-1943.	Consumption of water charged at As. 12 instead of at As. 14 per 1,000 gallons for the half year ending 30-9-1943 in respect of item No. 111 on page 3 of the M.R.R. Register of B Ward.	119 2 0
6	F	M.C.A. 502/IV of 2-1-1945 ...	Consumption of water charged at As. 12 instead of at As. 14 per 1,000 gallons since the half year ending 30-9-1943 (*vide* Item No. 248 on page 5 of M.R.R. of F Ward).	230 15 0
7	D	M.C.A. 4232/IV of 31-3-1944 ...	Excess refund in respect of the property bearing D Ward No. 2705(2)	1 0 0
8	D	M.C.A. 101/IV of 17-5-1944 ...	Excess refund in respect of the property bearing D Ward No. 3646(4)	10 9 0

Cases of omissions, under-charge or excess refunds referred to the Department for recoveries and remaining unreplied so far :—

Serial No.	Year in which original reference was made.	Ward.	Case No. and Date.	Particulars.	Amount.
					Rs. a. p.
1	1940-41	B	M.C.A. 978/IV of 5-4-1940 ...	Under charge in respect of car No. T. 5296 under Schedule No. 2094.	10 0 0
2	1940-41	B	M.C.A. 1656/IV of 8-4-1942 ...	Under charge in respect of concern No. 605 under Schedule No. 412.	5 0 0 for each quarter.
3	1942-43	G	M.C.A. 3396/IV of 8-12-1943 ...	Under charge in respect of Motor Lorry BMT 2412 under Schedule No. 531.	10 0 0
4	1942-43	F	M.C.A. 3434/IV of 16-2-1943 ...	Under charge in respect of concern No. BMX 3305.	15 0 0
5	1944-45	F	M.C.A. 597/IV of 1-3-1945 ...	Under charge in respect of Motor Lorry BMT 4249 under Schedule No. 2093.	5 0 0
6	1944-45	B	M.C.A. 614/IV of 8-3-1945 ...	Under charge in respect of concern No. BYA 359 under Schedule No. 1830.	10 0 0
7	1944-45	G	M.C.A. 624 IV of 8-3-1945 ...	Under charge in respect of Motor Lorry BMT 4242 under Schedule No. 1194.	5 0 0 for each quarter.

Miscellaneous Departments.

The following Departments are in charge of the Collection of miscellaneous revenue :—

(1) Municipal Commissioner's Office; (2) Town Duty Refund and Election Office; (3) Central Stores; (4) Legal Assistant's Office; (5) Municipal Secretary's Office; (6) Hydraulic Engineer's Department; (7) Victoria and Albert Museum; (8) Chief Librarian's Office; (9) Public Health Department including Analyst's Office; (10) Health Department, A and B Wards Office; (11) Health Department C and D Wards Office; (12) Health Department E Ward Office; (13) Health Department F and G Wards Office; (14) Malaria Department; (15) Arthur Road and Maratha Hospitals; (16) Vaccination Department; (17) K.E.M. Hospital and G.S.M. College; (18) Conservancy Department; (19) Dog Licensing Department; (20) City Engineer's Central Building and Architectural Branches; (21) City Engineer's Works and Maintenance Branches; (22) Mechanical Engineer's. Department; (23) Drainage Department; (24) Fire Brigade Office; (25) License Department, including Shops and Establishment Branch; (26) Gardens Department; (27) Markets and Slaughter Houses.

Revenue Returns.

Under Standing Committee Resolution No. 1534, dated the 10th February 1939, the forms of the Revenue Registers of the above Departments were revised as from 1st April 1939 for maintaining accounts on the basis of demand, collections and arrears for each source of income, and for tallying of these accounts with those maintained in the Chief Accountant's Office.

The revised forms were introduced with effect from 1st April 1939, but the work of completion of quarterly accounts and submission of Revenue and Deposit Returns duly reconciled with the figures on the Chief Accountant's books, was slack. Attention of the Commissioner was drawn to non-receipt of Revenue and Deposit Returns by audit under case No. M. C. A. 775/V dated the 5th June 1945, and he issued a circular on 19th June 1945 asking the departments to submit them without further delay.

The position of returns received for audit till the time of writing the report is shown hereunder :—

Serial No.	Name of the Department.	Period upto which the quarterly Revenue returns were received.	Period upto which the quarterly Deposit returns were received.
1	Municipal Commissioner's Office	30-9-1944	30-9-1944
2	Town Duty Office	31-3-1945	31-3-1945
3	Election Office	31-3-1945	31-3-1945
4	Central Stores	30-6-1944	30-6-1944
5	Municipal Secretary's Office	31-12-1944	...
6	Legal Assistant's Office	31-3-1944	...
7	Hydraulic Engineer's Department	30-9-1944	31-12-1944
8	Victoria and Albert Museum	31-12-1944	...
9	Chief Librarian's Office	30-6-1944	30-6-1944
10	Public Health Department including Analyst's Office ...	30-6-1944	30-9-1944
11	Assistant Health Officer, A and B Wards Office	31-3-1944	31-3-1944
12	Assistant Health Officer, C and D Wards Office	30-6-1944	30-6-1944
13	Assistant Health Officer, E Ward Office	31-3-1944	31-12-1943
14	Assistant Health Officer, F and G Wards Office	30-6-1944	30-6-1944
15	Assistant Health Officer, Malaria Office	30-9-1944	31-12-1944
16	Arthur Road Hospital	31-3-1944	30-9-1944
17	Maratha Hospital	31-12-1944	31-12-1944
18	Vaccination Office	30-9-1944	31-12-1944
19	K. E. M. Hospital	30-9-1944	30-9-1944
20	G. S. M. College	8-10-1944	31-12-1944
21	Conservancy Department	31-3-1944	31-3-1944
22	Dog Licensing Department	31-12-1944	30-9-1944
23	City Engineer's Building Branch	30-6-1944	31-12-1944
24	City Engineer's, Works Branch	30-9-1944	31-12-1944
25	Mechanical Engineer's Office	31-3-1944	31-3-1944
26	Drainage Department	31-12-1944	Nil
27	Fire Brigade Department	30-9-1944	30-9-1944
28	License Department	30-9-1944*	30-9-1944
29	Gardens Department	30-6-1944	30-6-1944
30	Markets and Slaughter Houses	31-3-1944	31-3 1944
31	T. A. O. (Printing Press)	31-3-1945	Nil

* Excepting the returns for advertisements etc., which are not received from 31-3-1944.

Many of the returns shown as submitted to audit in the above statement have been received so late during the year that their scrutiny is not complete at the time of writing this report.

The Commissioner's attention was again drawn to the non-receipt of returns under this office No. M.C.A. 879/V/ of 26-7-1945.

It will be seen that the work of rendering accounts by the Departments upto 31st March 1945, and of checking and reconciling them by the Chief Accountant with his books has remained incomplete.

The figures of revenue receipts published in Appendix No. 3 of the Annual Report of the Chief Accountant, cannot therefore, be vouch-safed as correct and tallied with the figures appearing in the books of the departments for which the Returns upto 31st March 1945 have not been received by audit.

Departmental Registers.

Inspection of the departmental registers at the time of writing the report showed that in some departments the books were not balanced and attested in token of their virtual completion. Although sufficient staff for complete detailed checking of revenue accounts of the departments has been given to the Chief Accountant, the demand registers in some departments were not completely checked.

Income and Deposit Registers of the Chief Accountant's Office.

In the Income Tabulations rent and other miscellaneous revenue figures were often found misposted in the sub-columns relating to departments or branches of the departments other than those to which they relate and as a result the figures furnished by a department in the Revenue Return could only be reconciled by picking out items relating to that department and working them out separately. Similar is the case of the outstanding balances of deposits for the period prior to 1st April 1941 which have not been classified according to departments in the Deposit Registers. The Chief Accountant's department should see that before the Returns are certified as correct and submitted to audit, such mispostings or classifications are duly set right in the books by adjustments or otherwise as the case may be. The Revenue Tabulations were also not found properly balanced and attested by any responsible person in the Chief Accountant's Office each quarter.

Delay in replies to audit notes.

As laid down in Schedule E. E. of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules approved under Corporation Resolution No. 4787, dated the 4th September 1939, every query or observation made by audit has to be promptly disposed off by the departments concerned, but out of 65 audit notes outstanding for the previous years and 134 notes issued during the year, replies so far received are only 24 for previous years and 65 for the year under report. This leaves 110 references outstanding till the time of writing the report. As usual the list of outstanding notes is not shown owing to scarcity of paper.

Irregularities and omissions noticed in some of the quarterly Returns were duly pointed out to the departments and got rectified. Some typical instances of errors and omissions are given below :—

Controller of Stores.

M.C.A. 4016/V
24-11-1943

It was mentioned in the last Audit Report that no sanctions were found noted in the Demand Register in respect of Rent free as well as rented occupations at the Bellasis Pipe Depot. No reply is still received inspite of several reminders issued to the department.

Chief Accountant's Department.

M.C.A. 581 V
1-3-1945
The Stock Registers of books, coins, curioes etc., in the Victoria and Albert Museum were not found checked since 1941 by the Stock Verifiers. Reply to the audit reference is awaited.

M.C.A. 567 V
13-2-1945
Counterparts of Birth and Death certificates issued by the Registration Branch of the Health Department were not found checked by the internal audit staff of the Chief Accountant. Reply to the audit reference is awaited.

M.C.A. 201 V
7-7-1944
An employee of the Market Department collected Rs. 22 as stall-board fees from the butchers of Madanpura locality where he was working. He did not, however, pay these collections in the Municipal Treasury. On enquiry he was found guilty and was allowed to resign from municipal service. He paid up the amount on 21st December 1943 which was lying in the deposit account unadjusted. In the Demand Register of the City Engineer's Office also no demand was created for the stall-board fees. The Chief Accountant has been asked to do the needful in the matter. His reply is awaited.

M.C.A. 4192 V
24-2-1944 & 30-12-1944
In the last Audit Report it was mentioned that the deposit account under B. Cash Deposit I C.E. (*b*) Deposits from Improvement Schemes, was a mixed account of three departments in the Chief Accountant's books. The Chief Accountant was requested to separate the figures relating to each department so as to afford convenience for their verification with the figures of the different departments. The needful was done. It was however noticed that several long standing deposits remained unadjusted to Revenue under "Unclaimed Dues and Deposits" as per the standing instructions laid down under Law Revenue and General Purposes Committee Resolution No. 80, dated the 24th August 1939. The Chief Accountant has been requested to do the needful in the matter. His reply is awaited.

M.C.A. 516 V
8-1-1945
No demand was noted in the Register of the Printing Press in respect of leave salary contributions recoverable from an employee of the Municipal Printing Press deputed to the Auxiliary Fire Service from 23rd April 1942 and whose sevices were dispensed with from both the offices as from 8th July 1944. Explanation for the omission has been called for from the department. The Chief Accountant has also been requested to furnish audit with a list of employees who have gone on deputation and from whom leave salary contributions are being recovered. No replies are yet received.

M.C.A. 411 V
6-11-1944
Contrary to practice followed by the Chief Accountant and the instructions passed by him to the staff (*vide* his circular AE/741, dated the 8th January 1943) the proceeds of the sale of Municipal Publications in the Municipal Secretary's Office were found credited to Revenue. The Chief Accountant's reply is awaited.

Municipal Commissioner's Office.

M.C.A. 434 V
24-11-1944
Interest for late payments of leave etc., contribution of an officer deputed to Government service was not found recovered and credited to Municipal Fund as required by Rule 122 of the Municipal Service Regulations. Reply to the audit reference is not yet received.

Chief Librarian's Office.

M.C.A. 230 V
2-8-1944 & 28-2-1945
Several deposit receipts were found irregularly made out by the different librarians as under:—

(1) Changes in amounts and dates made in duplicate copies of receipts by over-writing.

(2) Duplicates made out in pencil or in ink instead of under a carbon.

Besides, the remittances of collections were delayed for several days by the Librarians. The receipts were also not found checked by the staff of the Chief Accountant.

The Chief Librarian explained that the irregularities occurred due to his staff being new and not aware of the correct procedure. He issued instructions to his staff to avoid such irregularities in future. The Chief Accountant's explanation for the omission of checking receipts is awaited.

Legal Assistant's Office.

M.C.A. 311 V
19-9-1944
Recovery of Rs. 15 effected by the Estate Agent's Department for legal charges was found posted twice over against two separate items in the Demand Register. The Legal Assistant was requested to recover the outstanding amount of the item against which wrong posting was made. Reply is awaited.

M.C.A. 312 V
19-9-1944
Recovery of Rs. 15 made by the Estate Agent's Office in respect of legal charges was not posted in the Demand Register. Reply is awaited.

M.C.A. 4033 V
3-12-1943
27-3-1944
17-2-1945 & 15-6-1945
It was mentioned in the last Audit Report that a demand for costs of a decree obtained on 26th February 1940 against a tenant of the Markets Department was outstanding in the Demand Register. It appears that the recoveries of court costs made, have been credited to Ground Rent instead of to the proper account of the Legal Assistant's Office. The Superintendent of Markets has been asked to adjust the recoveries to the proper head of account. Reply is awaited.

M.C.A. 3683 V
28-5-1943 & 23-3-1945
It was mentioned in the last Audit Report that two recoveries of Rs. 140 and Rs. 51-15-0 effected in May 1942 were not accounted for in the Demand Register. The former has since been brought on book while for the latter, papers are reported to be not available. It also appeared from the papers in the former case that no final agreement was prepared although the case was pending since 1933. The Legal Assistant's reply to audit reference in this case is awaited.

M.C.A. 4015 V
24-11-1943
It was mentioned in the last Audit Report that the Demand Register for High Court and Small Cause Court suits was not balanced and the outstandings as on 31st March 1943 were not brought forward. During the year, the Legal Assistant explained that the outstanding cases were brought in a new register from 1st April 1943, excepting those for which complete particulars of demand were not available. Such incomplete cases were taken on a memoranda book, demand whereof, would be created in the Demand Register when full particulars were traced.

It was mentioned in the last report that 128 items of demand pertaining to agreements and legal advice,
M.C.A. 4005/V
12-11-1943
etc., pertaining to periods from 1936 onwards were outstanding in the Demand Register. During the year under review the Legal Assistant submitted 21 case files of these items when it was noticed that the items were either adjusted or recovered but not accounted for in the Demand Register. They were hence removed from the Register. The Legal Assistant has been advised to submit the case files of the remaining items. Reply is awaited.

It was mentioned in the last Audit Report that cases of outstanding demands in the Legal Assistant's
M.C.A. 4027/V
30-11-1943
M.C.A. 4035/V
3-12-1943
M.C.A. 4044/V
6-12-1943
M.C.A. 4053/V
11-12-1943 &
17-1-1945
M.C.A. 4061/V
15-12-1943 &
M.C.A. 4062/V
15-12-1943
books pertaining to the Health, Estate Agent's, Assessment, Engineering and Gardens Departments were referred to the respective heads of the departments and that 25 other cases appearing in the register without any particulars of Departments were referred to the Legal Assistant. All these audit references remain unreplied inspite of several reminders.

Hydraulic Engineer's Department.

It was mentioned in the last Audit Report that out of 57 bills outstanding for extra water charges issued
M.C.A. 3722/V
28-6-1943
12-5-1944
&
19-12-1944
upto 31st March 1942, recoveries were effected only in 27 cases, 16 bills were subsequently cancelled leaving 14 bills outstanding. Further audit references have resulted in the recovery of almost all the bills.

It was mentioned in the last Audit Report that the additional charge of 15 per cent over the usual fee for
M.C.A. 4194/V
24-2-1944
28-3-1945
&
14-8-1945
testing and sealing of private meters as per the Water Charges Rules for 1942-43 and 1943-44 was not recovered upto October 1943. As a result of audit query short recoveries during the period from 1st April 1943 to 30th September 1943 were made good from the parties. The Hydraulic Engineer was requested to state the number of cases in which this charge was omitted to be recovered for 1942-43 and the amount involved. He explained that the intimation of the final adoption of the Water Charges Rules by the Standing Committee was received on 3rd November 1942 and the short recoveries from that date amounted to Rs. 54-12-0 covering 54 cases. The Hydraulic Engineer has been requested to write off these amounts with the sanction of the Standing Committee if there is no possibility of their recovery.

It was mentioned in the last Report that a Municipal employee who continued to occupy a rent free quar-
M.C.A. 3920/V
29-9-1943
ter after his transfer to another post was charged only 10 per cent of his salary as rent, instead of the standard rent of the quarter. The Hydraulic Engineer's reply is still not received.

It was mentioned in the last Audit Report that the Building Notice Register was not completely written
M.C.A. 2181/V
2-8-1941
&
10-1-1944
up, the outstanding items of the previous years were not brought forward, bills preferred in respect of notices issued were not noted and the notices issued after 1st April 1943 were also not recorded. In spite of several reminders to the Hydraulic Engineer, the reference still remains unreplied.

In the last Audit Report it was mentioned that the account of the annual charge of Rs. 6 for cleaning dial
M.C.A./4196/V
24-2-44
18-9-44
and resealing of private meters levied under the water charges Rules of 1943-44 was not maintained on the demand basis in the Demand Register although necessary information for creating demands was available in the various Meter Reading Registers. The needful has since been done.

A cooly, occupying Sankli Street quarters, was charged double rent in the months of September 1942
M.C.A. 3826/V
11-8-1943
and February 1943. The excess recovery amounting to Rs. 20-6-0 was got refunded to him.

Defects and irregularities noticed in the Rent Demand Registers of chawls and staff quarters for the
M.C.A. 2802/V
7-5-1942
M.C.A. 3924/V
27-9-1943 &
M.C.A. 3928/V
27-9-1943
years 1941-42, 1942-43 and 1943-44 were commented upon in the last year's Audit Report. The position remained the same during the year under report, and the audit references made in this connection remain outstanding to this day.

In the last Audit Report it was mentioned that 70 bills for meter hire, and 98 bills for water by meter
M.C.A. 3864/V
2-9-1943
31-3-1945
&
M.C.A. 3865/V
2-9-1943
&
2-12-1944
measurement, issued prior to 1943-44, were outstanding. As a result of audit action the outstanding bills, with the exception of five or six, were either recovered, or adjusted from deposits.

In two bills of private connections for May 1939, testing charges and fees for Inspector's attendance were
M.C.A. 3821/V
7-8-1943
&
9-2-1944
shown as charges for materials and labour respectively. The charges shown in the bills under materials were also shown in the Stores Abstract for materials indented by the Department, but no materials were used on the work. The Hydraulic Engineer explained that they might have been used on maintenance works of the department and their inclusion in the bills of private parties was a clerical error. The explanation is not satisfactory. This shows lack of check or control over waste or misuse of articles in the department. The Commissioner has, however, issued necessary warning against repetition of such incidents in future.

The staff quarters at Suparibaug were vacated by one inspector from 7th August 1943 but the rent from
M.C.A. 93/V
13-5-1944
1st August 1943 to 7th August 1943 was not recovered from him. The recovery was got made.

Under meter bill No. 477, dated the 24th July 1943 an amount of Rs. 1-12-0 was recovered in excess.
M.C.A. 1[illegible]V
18-5-1944 It was got refunded to the party.

A Municipal employee resigned from service from 22-4-1943 but continued to occupy the municipal
M.C.A. 8[illegible]V quarters upto 2nd June 1943. In this case there was a short recovery of Rs. 1-5-0 which
12-5-1944 was got recovered.

Charges for electric consumption and installation amounting to Rs. 35-6-0 recovered from an inspector
M.C.A. 94 V in October 1943 for the period from 1st February 1939 to 31st January 1941, were shown as
13-5-1944 demand for rent. The recovery was also found short by annas eight. The needful was got done.

Five bills for meter rent prepared in June 1943 were not found issued to the parties for over a year. As
M.C.A. 98 V a result of audit action two bills were recovered, one was cancelled and the remaining two
15-5-1944 are under action for recovery.

Arrears amounting to Rs. 4-3-0 pertaining to the period 1st July 1943 to 28th August 1943 were not re-
M.C.A. 89 V covered from a municipal employee who had occupied a room in Sankli Street. The amount
13-5-1944 was got recovered from him.

Rent of Rs. 51 was recovered in October 1943 from one inspector for occupying the municipal bungalow
M.C.A. 92 V at Santa-cruz for three months after his transfer to another branch. The Hydraulic Engineer
13-5-1944 was requested to state the basis on which the rent was fixed and recovered. His reply is awaited.

A cooly, occupying quarters at Sankli Street, was charged rent upto May 1943 only, and a remark was
M.C.A. 83/V made in the Demand Register that he was appointed as sluiceman in Bombay Port Trust.
12-5-1944 The date of vacating the room was not given. The Hydraulic Engineer furnished the date
&
24-7-1945 and explained that it had since been occupied by the City Engineer's Department. The Hydraulic Engineer was requested to state the purpose for which the room has been occupied by the City Engineer's department. Reply is awaited.

A room in D Ward quarters was occupied by a cooly. He died, and the possession of the room was taken
M.C.A. 97/V and given to an acting chaviwalla on 1st November 1943. In the Rent Demand Register
15-5-1944 the accounts of rent for the room against two individuals were mixed up. Recoveries effected
&
24-8-1944 from the acting chaviwalla for his occupation of A. R. P. Chawls prior to his occupation of this room, were also found posted against the room. Thus the correct amount recoverable from the previous occupant was not ascertainable. The accounts of the deceased and of the present occupant were got separated. The Hydraulic Engineer has undertaken to recover the outstanding rent found due from the deceased, out of his Provident Fund.

As per Standing Committee Resolution No. 1657, dated the 17th January 1945, a charge of annas eight per
M.C.A. 646 V tap was introduced for rewashering leaky taps in the City. The Hydraulic Engineer was
29-3-1945 requested to state the system of recovery introduced in this connection by him. His reply is awaited.

Health Department.

Particulars regarding commencement of trade etc., were either not written or incorrectly shown in some
M.C.A. 52/V of the milk licence notices issued by the Assistant Health Officer, C and D Wards Office.
5-5-1944 The needful was got done and the staff concerned was warned by the Assistant Health Officer to be more careful in future.

In the Establishment Schedule of 1943-44 one lady doctor and 2 nurses of Imamwada Maternity Home
M.C.A. 118/V were shown provided with free quarters but in the Rent Demand Register one lady doctor and
25-5-1944 3 nurses were shown occupying free quarters. Necessary correction was got made in the Establishment Schedule of 1945-46.

It was mentioned in the last Audit Report that a demand of Rs. 75 for supervision charges for anti-malarial
M.C.A. 3893/V measures taken by the Malaria Department in respect of Backbay Reclamation Scheme, was
18-9-1943 shown for the first time in the Demand Register of 1942-43 although these measures were
M.C.A. 499 V being taken since long. During the year under review it was also noticed that a bill for the
2-1-1945 anti-malarial measures was preferred against the Executive Engineer. Bombay Presidency for the period from 1st December 1943 to 30th November 1944 but no demand for supervision charges was noted in the Demand Register, and the amount received therefor, and credited to deposit remained unadjusted to Revenue. Reply is awaited.

In the last Audit Report it was mentioned that the certificate book at the Arthur Road Hospital was not
M.C.A. 4990 V consecutively numbered and there was no data for verifying the fees charged to parties for
5-1-1944 filling in Death Forms for insurance policies of the deceased patients. As per audit suggestion the Health Officer introduced a system whereby the parties are asked to produce letters from the insurance companies showing the amounts of policies with the applications so as to enable the municipality to fix the fees.

For birth or death certificates, fees are charged for search as well as for issue of certificates, while in the
M.C.A. 189 V case of issue of extracts from Vaccination Register only search fee of Re. 1 is charged. The
3-7-1944 Executive Health Officer has been requested to put the latter on a par with the former. Reply is awaited.

Errors and omissions of the following nature were noticed in the Demand Register and the Lymph Register
M.C.A. 190/V
4-7-1944 of the Vaccination Office:—
&
29-3-1945

(*a*) Sanctions noted for fixation of rent were incorrect.
(*b*) A peon was allowed to occupy a room rent free for five months after his discharge from the municipal service.
(*c*) Full particulars of demand were not noted in the Demand Register.
(*d*) Incorrect postings were made in the Stock Register of Vaccine Lymph.

The errors and omissions were got set right and a sum of Rs. 2-8-0 was got recovered on account of rent from the ex-peon. The Health Officer was also requested to redistribute the work in Vaccination Office as one and the same person received cash, prepared receipts, and maintained Cash Book, Demand Registers and Vaccine Lymph Register. Reply is awaited.

M.C.A. 248/V
8-8-1944 & 12-6-1945

The usual schedule fees are not charged for burial and burning of dead bodies at the Tank Bunder Cemetery. No papers for exemption from fees were also available. The monthly establishment charges borne by the Municipality for the cemetery are on an average Rs. 285. The Commissioner was therefore requested to place this cemetery either on a par with all other municipal cemeteries by recovering the scheduled fee or in the alternative to obtain orders of the Corporation for exemption from fees. Reply is awaited.

There was a short recovery of Re. 1 for issue of two copies of a death certificate. Reply is awaited.

M.C.A. 488/V
23-12-1944

M.C.A. 123/V
29-5-1945

Quarters of Turner Sanatorium occupied by the matron were not vacated till 21st November 1943 although she died on 13th February 1943. Sufficient amount to cover the rent of the quarters from 13th February 1943 to 21st November 1943 was also not withheld from her Provident Fund claim paid to her nominee.

M.C.A. 37/V
24-4-1944

2 Ayahs, 2 hamals and an Engine driver of the Maratha Hospital were allowed free quarters with electric lights but no provision was made in the Establishment Schedule of 1943-44 for free lights in the case of Ayahs and Hamals, and for rent free room with light, in the case of the Engine Driver. The Executive Health Officer explained that necessary corrections would be made in the next Establishment Schedule.

M.C.A. 155/V
14-6-1944

No demand was created in the Miscellaneous Revenue Register of the office of Executive Health Officer in respect of 5 per cent supervision charges recoverable from Government in connection with the scheme of Distribution of Food, although the work was completed on 31st March 1943. As a result of audit query a demand of Rs. 10,313-5-11 was created and recovered on 25th September 1944, by adjustment out of the Government deposits.

M.C.A. 165/V
16-6-1944

The employees shown as provided with free quarters in the Establishment Schedule of 1943-44 at the Cadell Road Maternity Home, at Haines Road, Antop Hill and Sion cemeteries and those shown in the Rent Demand Register of F and G Wards Office, did not tally. Reply to the audit reference is awaited.

M.C.A. 203/V
8-7-1944

Errors and omissions noticed in the Demand Register of F and G Wards Office are summarised as under-

(1) Fees for washing blankets not recovered on the same day or the day following, but in the next month along with the rent of wash-stones.
(2) Short recovery of fees for disinfecting mattresses and pillows.
(3) Recoveries for the issue of medical appliances remitted to office after 2 or 3 days.
(4) Fees for washing blankets credited to the account head "Rent of Properties" instead of to "Miscellaneous Fees."

Reply to the audit reference is awaited.

M.C.A. 204/V
10-7-1944 & 24-4-1945
M.C.A. 466/V
7-12-1944

It appears from the examination of B.P.A.A. notices issued by A and B Wards Office and papers relating thereto, that the dates of starting business are taken either from the dates of visiting the place by the staff or from the dates of applications made by the parties for issue of licenses, without making any independent inquiry from the rent bills of the owners of the premises or from the License Department. The Commissioner has been requested to ask the Health Officer to get such verifications properly carried out so as to minimise chances of losing fees due to the Municipality. Reply is awaited.

M.C.A. 247/V
8-8-1944

In the Rent Demand Register of E Ward Office the following errors and omissions were noticed :—

(1) Number of employees shown as occupying free quarters in the register did not tally with the number provided in the Establishment Schedule of 1943-44 at Bellasis and Victoria Road Maternity Homes and at Cemeteries.
(2) Rent free quarters of Health Camp at Kamathipura, Tank Bunder Cemetery, and R. J. Dharamshala were not brought on book.
(3) Recoveries of electric charges appeared to have been not recovered from the employees.
(4) Full details such as number of rooms, pay of the occupants and changes in the names of occupants on transfer, were not given.

Reply to the audit reference is awaited.

M.C.A. 255/V
18-8-1944 & 23-12-1944

It was noticed that in the quarters occupied by a nurse of Victoria Maternity Home there were three points of electric light but she was charged for only one, on the ground that she was using only one light. In the quarters occupied by the Municipal employees either on payment of electric charges or free, it is not desirable to retain extra points for the use of which they do not pay or they are not entitled to, the Executive Health Officer was therefore requested to submit a list of all the quarters showing the number of connections therein and the number charged, or allowed free. Reply is awaited.

M.C.A. 310/V
18-9-1944 & 30-12-1944

For treating mill tanks a charge of Rs. 15 fixed in the year 1927, was being recovered every month from the Agents, Hindustan Spinning and Weaving Mills, and credited to the account head under "Fees". No sanction for the fixation of the charge was noted in the Demand Register of Malaria Office. It was suggested to the Commissioner to revise the charge in view of the increased allowances paid to the staff by the Municipality. Reply is awaited.

M.C.A. 498/V
2-1-1945

Interest for late payment of leave salary etc., contributions of an employee of Malaria Department deputed to the Food Controller's Office, was not found recovered and credited to the Municipal Fund as required by Rule 122 of the Municipal Service Regulations. Reply to the audit reference is awaited.

M.C.A. 524/V
13-1-1945

Three items of deposit in respect of rent recoveries and transfer of permit pertaining to the years 1938 to 1941 were outstanding in the Deposit Register of A and B Wards Office. Explanation from the department is awaited.

M.C.A. 526 V
13-1-1945

The occupants of the Grave Diggers chawls at Haines Road were allowed free lights from 3rd March 1943. The concession was not found provided for in the Establishment Schedule for 1944-45. Reply to the audit reference is awaited.

The G. S. M. College and the K. E. M. Hospital.

M.C.A. 382 V
13-4-1943
17-3-1944
&
21-8-1945

The question of recovering interest on delayed payments of leave salary etc., contributions, of an employee of the G. S. M. College whose services were lent to the Indian Research Association and a reference for which was made to the Dean in 1943 is not settled although two years have since expired.

M.C.A. 4070 V
20-12-1943
31-1-1944

Municipal employees who were in occupation of free quarters attached to the K. E. M. Hospital were charged rents fixed by the Commissioner on their transfer to other departments. The rates of fixation of standard rent was not worked out on the basis of the Rule 46 of the Municipal Service Regulations. Reply is awaited.

Conservancy Department.

M.C.A. 3692 V
7-6-1943
18-6-1945
&
3-8-1945

It was mentioned in the last annual report that a lease of right for exhibiting advertisements on the outer walls and roofs of 51 public urinals in the City was given to Messrs. Com-adverts for a period of three years commencing from 1st February 1941 for which no agreement was executed, and the company was in heavy arrears of six months rent amounting to Rs. 3,333-6-0. Audit having pointed out this to the Commissioner, he called upon the department to serve the Company with a notice for immediate payment of arrears. The Company paid the arrears in September 1943. The lease period expired on 31st January 1944, but no regular lease document was executed. The right was also found continued on the same rent on a monthly basis for which the Commisioner's sanction was not noted in the Register, and the rent received from December 1944 to April 1945 was lying in the Deposit Account. The department has been asked to do the needful. Reply is awaited.

M.C.A. 2555 V
19-1-1942
M.C.A. 1738 V
2-10-1941
M.C.A. 593/V
28-2-1945

Previous audit reports contain necessary comments on the incompleteness of the Rent Demand Registers of staff quarters and chawls of the Conservancy Department yielding an annual revenue of approximately Rs. 63,000. The matter was also reported to the Standing Committee, and the Commissioner in his report underlying the Standing Committee Resolution No. 80, dated the 19th April 1944, explained that it was being set right and the Rent Registers would be maintained ward by ward from 1st April 1944. Although over a year has since expired, the account for 1943-44 was found incompletely written up and not checked at any time, by the Chief Accountant's staff. As for 1944-45 no return has been received. Thus this account remains unexamined by audit since the year 1941.

M.C.A. 547/V
2-2-1945

An increase of 25 per cent. on the Schedule fees was proposed, owing to the increased cost of materials and payment of dearness allowances, by the Health Officer. In this connection an item for issue of certificates for shoeing of bovine animals which is not brought on the Schedule was found omitted from the extra charge of 25 per cent. The Commissioner was requested to ask the department to bring all unscheduled items under the Schedule. Reply is awaited.

M.C.A. 551 V
3-2-1945

In some cases of the animals treated at the Infectious Diseases Hospital, feeding and watering charges were found recovered late after deaths or discharges of the animals. Proper notes of demand in this respect were also not taken daily in the Demand Register. Reply is awaited.

M.C.A. 538 V
29-1-1945

In a bill preferred against the military authorities for removal of night soil and refuse from the Holiday camp at Block No. 8 of Back Bay Reclamation during February 1944 an under-charge of Rs. 60 was noticed. As a result of audit action the amount was recovered on 15th May 1945 from the Station Staff Officer.

M.C.A. 599 V
3-3-1945

In the receipts and in the Demand Registers errors and omission of the following nature were noticed:—

(1) Counterparts of cancelled receipts not attached.
(2) Receipts corrected by overwriting without attestations.
(3) Agreements for leases or rights not executed till the expiry of lease periods.
(4) Demands for sweeping charges shown in the Register without sanctions.
(5) Supervision charges not correctly charged in the bills for repairing drains attached to private premises.

Reply to the audit reference is awaited.

Works Branch.

M.C.A. 4179 V
17-2-1944
M.C.A. 4209 V
2-3-1944
&
28-6-1945

Disparity in the method of allocating recoveries of hire charges of Steam Rollers as between revenue and expenditure was pointed out in the last Audit Report. The City Engineer agreed that the method should be revised according to the present day working. The Chief Accountant has been requested to do the needful. Reply is awaited.

M.C.A. 4190 V
23-2-1944

Non-recovery of interest for delay in payment of leave, etc., contributions recoverable under Rule 122 of the Municipal Service Regulations, and short adjustment of Rs. 1-10-0 towards leave salary contribution of an Inspector of the department, who was deputed to Government for A.R.P. Works, were pointed out in the last Audit Report. In spite of several reminders to the audit reference, no reply is received so far from the department.

M.C.A. 4221 V
7-3-1944
&
11-9-1944

It was mentioned in the last Audit Report that no Rent Demand Register showing the number of buildings with tenements therein and the rents fixed therefor, was maintained in the Head Office in respect of 1,800 tenements of the buildings requisitioned for A.R.P. Works, and that only a register of the tenants paying rent in cash was kept. Even though a year has since elapsed no reply is received from the City Engineer.

M.C.A. 3130/V
30-9-1942
27-1-1943
&
22-8-1945

Non-preparation of an agreement for permission granted to the B.E.S. & T. Co., Ltd., in the year 1939 for laying mains in a private lane off Dharavi was pointed out in the last Audit Report. The City Engineer explained that the agreement had since been prepared but not yet executed. His further report is awaited.

M.C.A. 4197/V
24-2 1944
15-8-1944
M.C.A. 4228/V
17-3-1944

It was mentioned in the last Audit Report that the Commissioner had agreed to prepare permit forms for different kinds of occupation of streets and foot-paths and to include the rates of fees in the Schedule of Fees after obtaining the sanction of the Corporation. The City Engineer on 22nd February 1945 reported that the question of fixing the fees for issuing permits for various kinds of occupation of road and footpaths was under consideration. The question thus remains pending although more than a year has since passed.

M.C A. 117 V
25-5-1944

The Rent Demand Register of 1943-44 showed that four chowkidars were given rent-free quarters as against six provided for in the Establishment Schedule, and out of the four shown in the Register two were given double rooms, (2) a room in Souter Street Shed was vacant all throughout the year, (3) 50 rooms of the sheds at Asphalt Plant were transferred to the Estate Agent's Department from 1st October 1943 and hence removed from the Register but they were not taken on the book of the Estate Agent's Department with the result that the account of rent of these rooms was not kept by either of them. Many rooms of these sheds were also vacant for more than six months, (4) a tenancy for occupation of old labour camp by the A.R.P. Controller from 1st June 1943 was created without showing the number of rooms. No demand was shown for the last quarter of 1943-44. This camp was also not brought on book prior to its occupation by A.R.P., and (5) B Ward Office of the Assessment Department housed in the building at Babula Tank was removed from the Register since it was made rent free. Reply to the audit reference is awaited.

M.C.A. 628/V
14-3-1945

Sixteen queue railings put up by the B.E.S. & T. Co., Ltd., at various places in the City in the months of February and March 1944 were not brought on book. Reply is awaited.

M.C.A. 222/V
27-7-1944

Sale proceeds of the right of gathering fruits during 1943-44 credited to deposit during June 1943 were not adjusted to revenue even after the expiry of the period of right. Needful was got done.

City Engineer's Building Branch.

M.C.A. 314/IV
25-9-1944

In the Monthly Ground Rent Register the demands were not noted quarter by quarter as they became due but as and when recoveries were made. Necessary instructions were issued.

M.C.A. 3241V
7-10-1944
and
30-11-1944.

There were no realizations in respect of rights for cultivating the Municipal land in the compound of Labour Camp at Chembur after 1941-42, and for cutting the grass on 15' wide strip of Municipal land along the railway line from Chembur to Kurla after 1942-43. The City Engineer explained that no offers were received and the rights remained unsold. The Commissioner was requested to issue standing instructions to the Departments that in cases where the rights remain unsold during any season papers showing the efforts made by the department for their sale should be sent to him for information.

M.C.A. 335/V
10-10-1944.

47 items of deposits amounting to Rs. 9,063 pertaining to the period 1923 to 31-3-1942 in connection with legal charges for preparation of agreements, etc., were found outstanding in the Deposit Register. Reply to the audit query as to why they were allowed to remain in the Deposit account so long is awaited from the City Engineer.

M.C.A. 3776/V
4-7-1944

The cost of 5,600 old country tiles reclaimed from the demolition of case No. 154-C of Scheme No. 56 Dharavi, and used on works, amounting to Rs. 16-13-0 was not brought on the Demand Register. Reply is awaited.

M.C.A. 4230/V
31-3-1944
M.CA. 4155/V
8-2-1944
M.C.A. 4240/V
27-3-45

Replies to the marginal audit notes duly summarised in the last year's Audit Report are still not received from the City Engineer.

Mechanical Engineer's Department.

M.C.A. 279/V
31-8-1944

Fifty bags of sludge manure were supplied to the Children's Aid Society in April 1942. In the Demand Register no demand and recovery was noted. In the Deposit Register of the City Engineer's Building Branch a deposit of Rs. 50 recovered on this account remained unadjusted. Reply is awaited.

M.C.A. 294/V
7-9-1944
&
4-6-1945

The quarters on the 1st floor of the Office of the Municipal Workshops were lying vacant for over three years. Attention of the Mechanical Engineer being drawn to it, they were let to the Assistant Motor Foreman with the sanction of the Improvements Committee under their Resolution No. 1744, dated the 14th February 1945, but upto June 1945 they were found unoccupied. A further reference has been made to the Mechanical Engineer. Reply is awaited.

M.C.A. 282/V
31-8-1944

Due to abnormal war conditions the price of grass had gone up considerably, but the realisations from sale of Municipal rights for cutting grass were not found relatively increased and several rights did not fetch anything for want of bids. A comparative statement of the realizations of the various rights from the year 1939-40 to 1944-45 of the Drainage Department was sent to the Department calling for information as to how the produce was dealt with in cases where offers were not received in the general auction. Reply is awaited.

M.C.A. 290-V
2-9-1944

Undue delay in obtaining sanctions of the proper authorities in respect of permissions for access through municipal land, laying of water service pipes, etc., has led to complete omissions of demands in the Demand Register of the Drainage Department, and the municipal dues in respect thereof, received under deposit remained unadjusted since the year 1935 and onwards. A reference was made in connection with a property at the Tulsi Pipe Line road to the Mechanical Engineer to which reply is still awaited.

M.C.A. 297 V
4-9-1944

Although 50 brass of sludge manure were sanctioned on 31st December 1942 to be sold to a party at Rs. 2 per brass, no demand was created in the Demand Register and the amount of Rs. 100 recovered on 29th March 1943 in that behalf remained under deposit unadjusted. The needful was got done.

M.C.A. 283 V
31-8-1944

All municipal quarters whether occupied rent-free or otherwise are required to be taken in the Rent Demand Register. Three structures at Babula Tank in charge of the Drainage Department were however not brought on book. The needful was got done.

M.C.A. 289 V
2-9-1944

One Mr. Abdul Razak Adenwalla laid a private drain through the municipal land at 85-95, Elphinstone Road in the year 1936, and was asked by the department to pay Rs. 150 towards the preparation of agreement, and compensation at the rate of Rs. 12 per annum. The property, however, changed hands twice, and came in possession of one Mr. M. A. Wavda who made payments in the year 1943 under deposit, for agreement and compensations payable from 1st June 1939. No sanction was obtained for the permission and the necessary notes of demand were also not taken in the Demand Register. The amounts recovered from Mr. Wavda remained in deposit unadjusted. The Drainage Engineer stated that the Commissioner had on 3rd January 1945 sanctioned a revocable licence to the party and that the amounts lying in deposit were also proposed for adjustment after taking proper notes in the Demand Register.

M.C.A. 295/V
7-9-1944

There are three rooms for menials in the Municipal Workshops of which only two were shown in the Rent Demand Register. The Mechanical Engineer was asked why the third one was not shown in the Register. He replied that the Rent Demand Register contained only rent charged quarters, and the third room which was vacant was let at Rs. 3 per month from 1st October 1944 and taken on the Register. He also added that information was being collected for taking all the quarters on the Register whether occupied or not.

License Department.

M.C.A. 493/V
30-12-1944
M.C.A. 500/V
2-1-1945
M.C.A. 535/V
25-2-1945
M.C.A. 544/V
31-1-1945

Areas shown in four licence notices did not tally with the fees recovered as per the Table of Licence Fees. The areas shown in the notices were found wrong and got duly amended.

M.C.A. 530/V
20-1-1945

In a licence notice of E Ward West for 1943-44 licence fee of Rs. 5 was recovered against the correct amount of Rs. 8. The shortage of Rs. 3 was got recovered.

M.C.A. 455/V
1-12-1944

In the year 1943-44 there was a big rise in the number of licences for itinerant hawkers with a fee of Re. 1 - per month. This rise in licenses was due to rationing of sugar as the hawkers were required by the Rationing authorities to produce municipal licence before issuing ration cards. This suggests that a great number of itinerant hawkers used to escape detection in previous years.

M.C.A. 392/V
30-10-1944

It was observed that the quantities stocked by the licencees were abnormally in excess of the maximum quantities shown in the Table of Fees. A list of several such cases was drawn up and sent to the Superintendent of Licenses enquiring whether such abnormal excess in the quantities could reasonably be covered by the licences issued and whether the fees should not be raised proportionately in such cases. Reply is awaited.

Gardens Department.

M.C.A. 231/V
2-8-1944

The Register of Staff Quarters and chawls was not found properly maintained. (1) Rent free quarters were not taken on the Register with the result that all tenements were not entered in the serial order, (2) Sanction Nos. and the dates of occupancy and vacancy were not noted, (3) The sheds attached to the Wellingdon Memorial and Mustan Tank playgrounds were not brought on the Register. These were found given rent free to game supervisors who were not municipal servants, (4) A naik occupied rent free quarters but there was no provision for the same in the Establishment Schedule for 1943-44. The Superintendent of Gardens explained that there was omission in the Establishment Schedule for 1943-44 in respect of free quarters given to the naik; that the supervisors of Wellingdon and Mustan Tank playgrounds were servants of the Y. M. C. A., and were occupying the sheds for a number of years, and the Municipality contributed to the Y. M. C. A. for these supervisors; and that needful had since been done with regard to other points.

M.C.A. 232/V
2-8-1944

Twenty five items of deposits received since 1941 in respect of non-existing tenancies, credit sales, maintenance of one Indian Python etc., were found outstanding in the Deposit Register of the Department. As a result of audit action they were either adjusted or refunded with the exception of two cases.

M.C.A. 241/V
3-8-1944

Omissions and irregularities noticed in the accounts of the department were as under:—

(1) Permission for putting a stay-rod of a telegraph pole was given without sanction.
(2) A tenancy allowed rent free was not brought on book. No tenancy was created in the Demand Register for the occupation of Gowalia Tank Maidan by Military.
(3) A security deposit taken for hire of plant was not refunded.
(4) Usual security deposits were not taken in respect of three permissions.
(5) Short recovery of Rs. 30 was made for hire of Christmas trees and annas two were remitted in excess in respect of elephant ride.

(6) Revenue receipts in respect of sale of rights, and shooting of cinema films in the Victoria Gardens were not properly allocated as between the Garden Fund and the Revenue Account

(7) A recovery in respect of the Estate Agent's Department which was credited in the Chief Accountant's books under Gardens Revenue was taken on the Demand Register without particulars.

(8) The Demand Registers were not kept on demand basis, essential particulars and sanctions were not shown; casual occupations of parks and gardens were mixed up with the permanent tenancies in the Register. In the Main Cash Book entries of adjustments, etc., were made in between the entries for cash collections without attestations.
Reply of the Superintendent of Gardens is awaited.

Market Department.

M.C.A. 329/V — 9-10-1944

The figures of collections and arrears shown in the Revenue Returns for the year 1942-43 in respect of chawls and ground rents of the Bandra Slaughter Houses did not tally with those of the Demand Registers maintained there, and the differences were also not reconciled. The needful was done.

M.C.A. 364/V — 23-10-1944

Tenancy of a shed in the Arthur Crawford Market for keeping three cows for religious purposes o on nominal rent of Re. 1 per annum was continued to be shown in the Ground Rent Register in the name of one Mahadeo Tukaram Powar although after his death it was transferred in 1934 to the Trustees of the Properties and Funds of Deshastha Maratha Fruit Merchants with whom necessary agreement was executed on 25th October 1934. The rent receipts were also passed in the name of the dead man. The needful was got done.

M.C.A. 484/V — 22-12-1944

Necessary endorsements in respect of shifting of outside meat shops from one place to another were not made on the counterparts of licenses issued to parties. The needful was got done.

M.C.A. 549/V — 3-2-1945

In two cases, special slaughter fees were paid by a Military Contractor nearly after two months. In the receipts passed for slaughter, all the animals slaughtered during and beyond the usual hours were being mixed up. This practice made it difficult to know whether animals under special slaughter were accounted for in all cases, as the carcasses of special slaughter were usually removed in military lorries at any time of the day. The Superintendent of Markets explained that the contractor refused to pay the special slaughter fees under misunderstanding which were subsequently recovered by the Department, and that instructions to prepare separate receipts for animals slaughtered beyond usual hours were issued by him.

M.C.A. 333/V — 10-10-1944

It was mentioned in the last Audit Report that several tenants of chawls and sheds in the compound of Bandra Slaughter Houses were in heavy arrears of rent, and that the recoveries of rent were not regular from all the tenants. The position of arrears on 1st April 1944 did not show any substantial reduction, and in the case of sheds they showed progressive increase. Instructions to recover one month's extra rent from the tenants who remained in arrears for more than two months were not followed. Reply to the audit reference is awaited.

M.C.A. 459/V — 4-12-1944

Deposits for rent aggregating Rs. 22-1-0 recovered from ex-tenants of chawls and sheds of Bandra Slaughter Houses between the years 1932 to 1938 were found lying in the deposit account. Reply to the audit reference is awaited.

M.C.A. 476/V — 14-12-1944 & 8-5-45

In the annual Ground Rent Demand Register 51 items of demands, for rent of Re. 1 per annum in respect of spaces of meters installed by the stall-holders of Arthur Crawford Market were shown. Test check of the demands revealed that (1) in three cases demands were not shown in the register, (2) demands were shown twice over in respect of 4 meters, (3) in two cases demands were shown and recovered though there were no meters, (4) in four cases demands were shown and recovered for one meter although there existed two meters in each case, and (5) the names of the stall-holders varied with those in the Stallage Rent Demand Register. Reply to the audit reference is awaited.

M.C.A. 486/V — 23-12-1944, 16-1-1945 & 8-5-1945

For transfer of a private milk market from Shaikh Memon Street to Kika Street a transfer fee of Re. 1 only was recovered from the owner of the market. Under Corporation Resolution No. 333 dated the 13th July 1944, a transfer fee of 25 per cent. of the license fee is fixed for change of places in case of outside meat-shops as they require extra inspection on the part of the Municipality. As the work of extra inspection involved in the case of a private market would naturally be much more, than in the case of a meat-shop, a fee of at least Rs. 6-4-0 should have been recovered as trnasfer fee for the market on the same principle.

M.C.A. 504/V — 3-1-1945

All the municipal quarters and chawls in charge of a Department whether occupied rent-free or otherwise are required to be brought on the Demand Register of the Department. The qurarters allowed rent-free to the Superintendent of Markets, the Senior Assistant, and the Senior Veterinary Inspector were not shown in the Rent Demand Registers. Against the provision of free rooms to 16 labourers and one halalkhore in the Establishment Schedule of 1943-44, 20 rooms of labourers' chawls and 3 rooms of halalkhore chawls in the compound of Bandra Slaughter Houses were shown occupied by the labourers and halalkhores. Further 17 rooms of the old chawls given rent-free under Standing Committee Resolution No. 14804 of 10th March 1926 were not shown in the Establishment Schedule. One block of 32 rooms of the Palton Road Chawls of the Conservancy Department has also been reserved for the labourers of the Market Department as per Standing Committee Resolution No. 774, dated the 31st October 1934 and accordingly about 65 labourers of the Department are given quarters free of rent but they were also not shown in the Establishment Schedule. Reply is awaited.

M.C.A. 508/V — 4-1-1945

Manure is being sold at Bandra Slaughter Houses at the rate of As. 12 per cart load. The recoveries from this source were found very few. The Superintendent of Markets was requested to state whether it was not possible to give annual contract for removing all the manure found in the compound of the Bandra Slaughter Houses. Reply is awaited.

M.C.A. 511/V — 8-1-1945

Stall Nos. 7 to 14 of the Fergusson Road Market were demolished. Four holders of the demolished stalls who used to pay aggregate rent of Rs. 31 per quarter were allowed to shift to other stalls on the same rent although the standard rent of new occupations was Rs. 44 per quarter. Likewise two stall-holders who used to pay rent of Rs. 21 per quarter were allowed to shift on the same rent to other stalls carrying standard rents of Rs. 76-6-0 per quarter. Reply to the audit query is awaited.

M.C.A. 550 V
3-2-1945

Fees amounting to Rs. 10-4-0 for removal of hides and skins of dead animals were recovered short in respect of 4 cows and 2 sheep not accounted for. Fees amounting to Rs. 15-12-0 for removal of 63 sheep and goats during June and October 1943 by the fadkaries were also not recovered. Reply to the audit reference is awaited.

M.C.A. 552 V
3-2-1945

Test check of the counterparts of various types of licences issued by the Department showed that:—

(*i*) A licence was issued in the name of a company instead of in the name of some authorised individual.

(*ii*) Full particulars of licences were not found in some of the counterparts.

(*iii*) Blank forms of incomplete licence books of the previous years were neither utilised in subsequent years nor cancelled.

(*iv*) In some cases counterparts of licences were not attested by any responsible person.

(*v*) Notes of subsequent changes of names and places in the counterpart of licences were not made.

(*vi*) In four cases of outside meat-shops the licences were not written although the fees for the same, were recovered in February 1944.

(*vii*) Licence books of Private Markets and of the Butchers in Private Markets and of kamatrees were reported to be misplaced and not produced for audit.

(*viii*) For doing business as scrapers servants, or skinners, in Jatka Slaughter House of Arthur Road, fees were not fixed but recoveries at the rate of Re. 1 each were made from 6 persons in 1942-43, and from 12 persons in 1943-44 and kept under deposit. Replay is awaited.

M.C.A. 639/V
26-3-1945

Three stalls of different municipal markets were shown as vacant in the Demand Register and in the quarterly vacancy reports, while they were certified as not vacant in the monthly vacancy reports for September 1943. In another case a stall at Masjid Bunder Market was shown vacant in the monthly report and as occupied in the Demand Register. No uniformity is observed by the Inspectors of various municipal markets in preparing quarterly vacancy reports. Reply is awaited.

M.C.A. 640/V
26-3-1945

Payments of leave salary, etc., contributions up to February 1944, in respect of two Inspectors of the Department who had gone on deputation to the Controller of Grain Shops were received late on 11th April 1944. No interest was, however, found recovered for delay in payment as laid down in Rule 122 of the Municipal Service Regulations. Reply is awaited.

M.C.A. 568/V
13-2-1945

18 items of deposits received during the period from 1930 to 1941 were found lying in the Deposit Register of the Department. This being pointed out, the Superintendent of Markets has since adjusted thirteen of them to Revenue and retained the remaining as standing deposits.

M.C.A. 1132 V
27-5-1942
&
10-11-1943

In the last Audit Report it was mentioned that license fees amounting to Rs. 1,64,108 of the Byculla Private Market remained in the Deposit Account and were not credited to Revenue. In December 1944 the licence fees received in deposit from the years 1936-37 to 1944-45 amounting to Rs. 1,87,817 were adjusted to Revenue.

M.C.A. 3762/V
12-7-1943

In the last report it was mentioned that although the contract period had expired and the firewood shed was dismantled no sanction was obtained for fixing the monthly rent of Rs. 5-10-0 which was recovered from the contractors Messrs. Anderson Dawn & Co., This was set right with the sanction of the Commissioner.

M. .A. 3705/V
23-6-1943

In the account books of the Market Office it was noticed that (1) yearly demands for ground rent for electric installation from 1939-40 to 1942-43 were taken in the Register in the year 1942-43 when the recoveries were made, (2) transfer fee for stall No. 40 in the Vegetable Section of Arthur Crawford Market was not recovered although the transfer was sanctioned in May 1942, (3) Buffalo slaughter fees recoverable from the Kurla Municipality on or before the last day of each succeeding month, as per agreement, were paid after several months; (4) fees for giving training in the Meat Section was found credited to deposit instead of to Revenue; and (5) postings of recoveries made in the Demand Register were according to the dates of remittances to the Chief Accountant and not according to the dates of receipts passed to the parties. The needful was got done.

M.C.A. 3706/V
23-6-1943

For shifting of outside meat shops from one site to another a nominal transfer fee of Re. 1 was being charged. No fee was however, prescribed in the Schedule of Fees for change of business places which required extra inspection, etc., regarding sanitation and other matters on the part of the Municipality. The Department being written to in the matter a fee at the rate of 25 percent of the license fee has been pescribed for such transfers (*vide* Corporation Resolution No. 333, dated the 13th July 1944).

M.C.A. 570/V
15-2-1945

A special report in respect of the discrepancies and irregularities noticed in the accounts and management of the Bandra Slaughter Houses was made to the Standing Committee. The Standing Committee under their Resolution No. 1898, dated the 7th March 1945, forwarded it to the Commissioner for remarks. No remarks are still received from the Commissioner.

Estate Agent's Department.

The main items of receipts of this Department are (1) Rents from Municipal and ex-Trust Properties, (2) Sale of rights, (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums on permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

In this connection the following audit observations were made in the last year's audit report:—

The registers of demand, collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 were not found totalled, balanced and reconciled at the close of the year.

The attention of the Department being called to this through the Municipal Commissioner, the Estate Agent in his note, dated 28th July 1944, offered the following explanations for not having been able to carry out the audit requirements properly:—

"These registers were first introduced in 1940 and are being written up since then. The difficulties experienced in meeting the audit requirements are explained below:—

(1) Amongst the payments that have been received since 1940-41 there are many which are towards the satisfaction of the demands made in the previous year and are not shown on the register.

(2) The figures of demand noted in the sanctioned register maintained in the Lease Branch invariably differs from the actual amounts of demands as the demands mentioned in the Improvements Committee's Resolutions are approximate and liable to change.

These difficulties have the effect of showing the payments in some cases more than the demand and in others less.

The Deputy Municipal Commissioner (Improvements) who was made aware of these difficulties has instucted us (Estate Agent's and Land Manager's Department) to open a register with the items of outstanding premium and enter therein new demands when they are actually created and settled. Efforts are being made to open registers on these lines."

The instructions of the Deputy Municipal Commissioner (Improvements) do not appear to have been yet carried out and nothing is so far done to put these matters on a satisfactory basis.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrearsto accumulate by calling for information and explanations from the Department for scrutiny and by forwarding to it periodical lists of arrears of selected cases During the year under report a number of such statements were drawn up and sent to the Department but most of them together with some for the prerious years still await final disposal. The Deputy Municipal Commissioner (Improrements) has been pressing the Departmental Officers and staff to take action by circulars, instructions and warnings on the defects shown by Audit, and although some improvement is acieved much remains still to be done. In this connection please see the following remarks on the Audit Report for 1942-43 of the Deputy Municipal Commissioner (Improvements), Mr Shivdasani:—

"I may add that such irregularities are now of a rare occurrence. The credit for this is due to the Audit staff, who by their constant audit references made us improve the system of collection by the issue of circular and tighten it so that there should remain no loop-hole for the repetition of similar cases."

The cases of past arrears, specially of vacated tenancies, do not still receive as much attention as they ought to, as will be seen from the audit objections mentioned hereafter. The amount of such past arrears of vacated tenancies for "Bad and Doubtful Debts" was Rs. 2,88,994 on 1st April 1944. To this was added a sum of Rs. 34,081 on account of fresh arrears accrued during the year 1944-45 bringing the total outstandings to Rs. 3,23,075. Against this recovery effected by the Rent Collecting Staff including adjustments of deposits etc., during the year 1944-45 was Rs. 46,506 only.

In these days of acute shortage of housing accommodation it is difficult to think of a tenant running away leaving arrears without putting some one else in his place and yet the arrears transferred to Bad and Doubtful Debt Register of such tenants during the year amounted to a big sum of Rs. 34,081. Audit also noticed several tenements in Scheme No. 57 and attics in Schemes Nos. 58 and 59 having remained vacant for one year and over and as a result of audit action some attics have since been let out.

Outstanding Audit Notes.

Although every query or observation made by Audit has to be promptly disposed of by the Officers concerned, as laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, out of the 417 notes issued during the six years ending 31-3-1945 replies received upto the date of writing of this report were only 278.

This year as usual the lists of outstanding audit notes are not attached owing to scarcity of paper.

During the year there were several instances in which the papers were reported to be lost when called for by audit. It may be remarked here, this year too, that the items included in the write-off statement submitted to the Standing Committee for sanction do not appear to undergo proper scrutiny at the hands of the Departmental Officers before they are recommended for write-off and the remarks such as 'Parties not traceable' etc., are mechanically put thereagainst. In this connection the Deputy Municipal Commissioner (Improvements) has issued instructions to the staff to get these items verified properly and it is hoped that such irregularities hill be scrupulously avoided in future.

Non-execution of agreements.

M.C.A. 918/III
18-3-1940

Necessary tenancy agreement in respect of vacant land let-out in Potters' Camp at Dharavi from 1933 is not still executed. The Estate Agent replied that the execution of agreement was under preparation.

M.C.A. 2215/III
3-1-1942

Agreement with Mr. Mohomed Husein Karimbux for the lease of land at Tulsi Pipe Line has since been executed.

M.C.A. 3079/III
9-9-1942

Set-back land at No. 273, Abdul Rehman Street was leased under Standing Committee Resolution No. 6377, dated the 16th October 1929, to Mr. Lookmanji Thaverbhoy for construction of a temporary shed on a monthly rental of Rs. 40. The party thereafter died, but the lease is not yet transferred to his legal heirs as per report of the Assistant Engineer (B South), dated the 17th March 1937. The Estate Agent was requested to do the needful on 16th November 1942. The agreement, however, dose not appear to have been executed so far.

M.C.A. 3464/III
27-2-1943

Under Improvements Committee Resolution No.368, dated the 5th November 1935, vacant land at Mahim was leased to the Trustees of Sunnat-al-Jamat who have not yet executed the agreement, although more than 9 years have elapsed. The Estate Agent replied that work of preparing the agreements was under consideration of the legal assistant.

M.C.A. 3503/III
12-3-1943

Under Improvements Committee Resolution No. 28, dated the 7th April 1936 permission for access from Municipal Tulsi Pipe Line was granted to Mr. Brijlal Ramjidas on payment of Re. 1 per month, but the execution of agreement thereof is still under settlement by the Legal Assistant.

Late submission of vacancy and occupancy reports.

M.C.A. 2355/III
29-10-1941

14 cases of late submission of vacancy reports were referred to the Department. On receipt of explanation from the Estate Agent further reference calling for papers regarding two items was made to which no reply is received.

44 cases of late submission of vacancy and occupancy reports of municipal vacant lands were referred to the Estate Agent. On receipt of explanations from the Estate Agent, further queries regarding the following two instances of serious delay were made to which no replies are yet received:—

M.C.A. 2875 III
12-6-1942

(1) Brijlal Ramjidas occupied a piece of vacant land at Mahim Section for which the occupancy report was submitted after more than 7 years.

(2) One Santkumar occupied a piece of vacant land in scheme 56 for which the occupancy report was submitted after 2 years.

18 cases of delay in the submission of occupancy reports were referred to the Estate Agent. The following are the instances of abnormal delay:—

M. .A. 4228 III
31-3-1944
&
M.C.A. 4229, III
31-3-1944

(*a*) Mr. J. S. Mehta occupied a piece of Municipal vacant land at Parbhadevi, Dadar, on 1st July 1942 at Rs. 35 per month and the occupancy report was submitted as late as 16th July 1943. The Estate Agent replied that the tenancy was in charge of the City Engineer's Department and after a great deal of correspondence, which took over a year, it was transferred to the Estate Agent's Department.

(*b*) Mr. J. A. Dhuru occupied 108 square yards of vacant land at Mahim on 1st April 1941 at Rs. 9 per square yards per year for which the occupancy report was submitted as late as 28th September 1943. The Estate Agent replied that a portion of land was acquired on 1st April 1941 through the Land Acquisition Officer for the extension of Ranade Road. The owner found it very difficult to vacate the tenancy so as to hand over possession of land after demolishing the structures. He subsequently agreed to hand over the possession to the Municipality and requested that he should be considered as a municipal tenant at a reasonable rent. This delayed the submission of occupancy report.

(c) Mr. Sultan Mahomedkhan Pathan was granted permission for access to his property at Lower Parel on 1st June 1939 at Re. 1 per month and the occupancy report thereof was submitted as late as 3rd January 1944. The Estate Agent replied that the party wanted permission for an access tohis property along with the Tulshi Pipe Line Road and took a great deal of time to settle the terms and conditions. The occupancy report was submitted after obtaining the Improvements Committee Sanction. (Improvements Committee Resolution No. 324, dated the 9th November 1943).

(*d*) Messrs. Ratansi Damji and others occupied vacant land at Masjid Station Road on 1st July *1943* at Rs. 118-3-0 per month. Occupancy report was submitted on 3rd December 1943. The Estate Agent replied that the tenancy was transferred in the names of Messr. Ratansi Damji and others from the name of the deceased tenant Damji Lalji after all the arrears were cleared. The occupancy report was submitted on 3rd December 1943 as the arrears were cleared in November 1943.

(e) Mr. Sheriar Sham Irani vacated Mvnicipal land-opposite Victoria Gardens on 1st August 1943, the monthly rent of which was Rs. 333/-. The vacancy was reported of 23rd September 1943. The Estate Agent replied that the delay in submitting vacancy report was due to dispute in the date of taking over possession.

Vacant land admeasuring 340 square yards in scheme 52 was occupied by one Mr. R. D. Dubash on 1st April 1944 at a monthly rent of Rs. 85 *plus* municipal taxes at Rs. 34 per month. The occupancy report thereof was submitted after three months, *i.e.*, on 1st July 1944. The date of occupation was originally written as 21st December 1943, which was subsequently altered to 1st Aril 1944.

M.C.A. 474/III
13-12-1944

The Estate Agent explained that the occupation was an encroachment on the land of the foot-path, which was formerly in charge of the City Engineer's Department and that the Estate Agent's Department was not concerned for reco ery of rents. The City Engineer, howe er, later on requested the Estate Agent to arrange for the recovery of rents. The alteration in the date of occupation was found necessary as the original date was found wrong subsequently.

25 cases of vacant land occupancy reports delayed from 1 to 11 months were referred to the Estate Agent. In three cases, tenancy deposits were not recovered. In one case of a monthly rent of Rs. 833 the date of occupation was found changed from 14th October 1944 to 20th October 1944 The occupancy reports are a sort of check ensuring accuracy as to the dates of occupations from which rents are chargeable. From the explanations recei ed it appears that they are delayed for want of sanctions, reco ery of deposits, settlement of rents, etc. In this connection the Estate Agent has been ad ised that the submission of reports showing the dates of occupancies pending settlement of all other matters, should be regularly insisted upon, in order that the parties may not get undue advantage of time out of negligence of the staff concerned or otherwise.

M.C.A. 478/III
18-12-1944
&
M.C.A. 521/III
11-1-1945

Breach of Municipal service Regulations.

One Govind Kuka, a Municipal Sweeper, was given a rent farming contract of 20 rooms in the Mahar Chawls at Rs. 7-3-0 per month per room, less a rebate of 10 per cent. Although Govind Kuka recovered rents in advance practically from all the tenants, he did not pay the Municipal dues and the arrears accumulated to Rs. 2,752 as on December 1942. The matter was taken up by Audit and recoveries are being made in monthly instalments of Rs. 25.

M.C.A. 3591/III
19-4-1943

Granting of rent farming contract to a Municipal employee is in contravention of Rule 14 of the Municipal Servant's Conduct and Discipline Rules. Moreover, the non-recovery of the arrears till they accumulated to a sum which is apparently beyond the capacity of a Municipal sweeper to pay is a glaring instance of inaction on the part of the staff which very often results in loss of Municipal revenue.

In the present case, too, it is doubtful whether the recovery at the rate of Rs. 25 per month is at all sufficient to cover up the arrears.

Arrears Written-off.

Arrears of Rs. 90-2-0 due from Messrs. Daddy Billimoria & Co., were written off with the sanction of the Standing Committee on the ground that the firm was untraceable. The firm appeared to be on the approved list of City Engineer's Department and transacting business at 55, Apollo Street, Fort, Bombay, to which the Estate Agent's attention was drawn but no reply is still received.

M.C.A. 1525/III
27-11-1940

While test-checking the statement of arrears written off under the Standing Committee Resolution No. 131 of 30-4-41, audit called for papers in ten selected cases. The papers were sent to audit in two cases only and in the remaining eight cases they were reported to be not available.

M.C.A. 258/III of 24-7-1941, and of 4-11-1942.

In one case the sum of Rs. 44-2-10 due from one Mr. F. P. Canteenwalla was found written-off. On tracing his address in the Telephone Directory attention of the Department was drawn to it who recovered a sum of Rs. 22 in full settlement of the claim.

Arrears of rent written-off although audit reference for their recovery was pending with the Department

M.C.A. 3320/III 6-1-1943

Arrears of Rs. 95 due from one Mr. J. B. Pajnigara were written off under the Standing Committee Resolution No. 1342, dated the 2nd December 1942 on the ground that the party was not traceable. Audit pointed out from the occupancy report that one Mr. .D. D. Pawri, C o Messrs. *Killick* Nixon & Co., had written a personal letter to the Assistant Estate Agent that the party was his son-in-law and the premises should be let to him. The first reference was made by Audit in 1940 and after several reminders thereto another reference was made on 22nd April 1943, reply to which was also considerably delayed by the Department. No efforts appear to have been made to make inquiries about Mr. Pawri and in December 1944 audit was informed that he had expired in July 1941 and that the ex-tenant was not traceable. The papers of action taken were also stated to be missing.

M.C.A. 3598/III 22-4-1943

Arrears of Rs. 15 due from one Mr. D. J. Siganporia were also written off under the aforesaid resolution. Audit pointed out that the party was working as a wireman in Regal Electric Works situated near Wadia Fire Temple, Dhobitalao. In this case also audit made references as in the first case and the Department reported in December 1944 that the company did not exist and the party was not traceable.

In three cases of write off, papers were called for, Out of which papers in one case only were sent by the Department after about 2 years from which it appears that one Mr. Amiruddin Huseinbhoy from whom arrears of Rs. 1,125 at Rs. 150 per month were due for the period ending 15-th July. 1934 was in the ser ice upto 1937 of Messrs. Hatimbhoy Gulamhussein, 193, Nagdevi Street In the write off statement he was reported to be untraceable.

M.C.A. 3709/III 22-6-1943

In another case arrears of Rs. 130 have been recovered at the instance of audit and in the third one the party is reported as untraceable and papers not available.

Arrears of Rs. 46-8-0 due from one salimulla Hidayatulla for occupation of Shop 1, ground floor, block 1, New Mominpura Chawls, were written off under Standing Committee Resolution No. 1170 dated the 18th November 1942, on the ground that the tenant is not traceable. Audit, however, could trace the same name in another continuing tenancy in the same block of the same chawls. The Estate Agent explained that the tenant had two tenancies one a shop and the other a residential room. On his death by about December 1937, the shop became vacant and the residential room continued to be occupied by his aunt. As she was not the legal heir, the arrears could not be recovered from her and therefore the amount was written off.

M.C.A. 3708/III 23-6-1943

Audit further made a reference on the suggestion that a census of all the tenants be taken every quarter so as to weed out tenancies continuing in the names of deceased tenants or tenants who have left the rooms long before.

The Estate Agent's reply is awaited.

Complete papers were asked for under No. M.C.A. 3709, dated the 23rd June 1943 in respect of the following three selected cases, written off under Standing Committee Resolution No. 1170 dated the 18th November 1942, the monthly rents of which were Rs. 150 Rs. 108 8 0 and Rs. 130.

The Estate Agent's reply was received in March 1945, *i.e.* after nearly two years.

(1) One Amiruddin Husseinbhoy vacated rooms 1-9- and 1-9 2nd and 3rd floors, scheme 37, leaving arrears of Rs. 1,125 at Rs. 150 per month Suit No. 34,790 of 1936 was filed by the Legal Assistant against the party incurring court costs of Rs. 130-11-0. The decree obtained has, however, remained unexecuted and has also become time-barred. The Estate Agent reports that the tenancy was a rent farming arrangement and that no further action is possible.

(2) Mahomedally Janmahomed vacated room No. 4, ground floor, case 91, scheme 37, leaving arrears of Rs. 184 at Rs. 108 8 0 per month. The papers thereof are reported to be not available. The party is also reported to be not traceable and hence the amount is wrtitten-off.

The arrears of Rs. 130 in respect of occupation of rooms 1-3 and 1 3 2nd and 3rd floors, case 118, scheme 37 by the late Kasam Ismail was recovered from Mr. M. S. Patel who purchased another structure from him under Receipt No. 345 dated the 12th January 1945.

To a suggestion made to the Estate Agent to prevent items of arrears going to the Standing Committee for write off without proper investigation, the Estate Agent replied that papers were not available in some cases as they pertained to a very old period and in some cases the arrears became irrecoverable and hence they were put up for write off.

M.C.A. 3831/III 14-8-1943

The Estate Agent's further reply is awaited.

Arrears of Rs. 434-6-2 and Rs. 30 due from one Mr. Ebrahim Sheikh Mahomed Kalasekar were written off under Standing Committee Resolution Nos. 1786 and 131 dated the 24th March 1939 and 20th March 1941 respectively. Recoveries are however, found being effected. The Estate Agent was, therefore, asked how the arrears happened to be written off in March 1939-1941.

M.C.A. 590/III 23-2-1945

The Estate Agent's reply is awaited.

Arrears of Rent Recoveries at the instance of Audit.

Serial No.	Particulars of Tenancy.	Name of the Party.	Reference No.	Amount outstanding.	Date of recovery.	Remarks.
1	Agripada 12 blocks ...	P. F. Fernandez ...	R.A. 72 — 14-1-1939	Amount of arrears Rs. 96-11-0 after 1936.	By instalment.	
2	Stable at Bellasis Road Maternity Home Compound.	H. Navroji ...	M.C.A. 1115/III — 14-5-1940	Rs. 261-8-0	By instalment ...	Last instalment of Rs. 101-8-0 recovered under receipt No. 14852 of 11-2-1943.
3	Construction of sitting-out place on plot No. 402, Dadar-Matunga Estate.	Messrs. S. R. Agarwal & C. R. Agarwall.	M.C.A. 1818/III — 6-7-1944	Rs. 476 4 0	Receipt No. 8019 & 6160 of 9-8-1944 and 550 of 12-3-45	
4	Room No. 19, 1st floor, 8-18, Parsi Panchyat Lane	M. D. Kaikhusru ...	M.C.A. 2200/III — 12-8-1941	Rs. 263-6-1 ...	Receipt No. 8250 of 4-4-1944.	

Serial No.	Particulars of Tenancy.	Name of the Party.	Reference No.	Amount outstanding	Date of recovery.	Remarks.
5	Case 27, 1st floor, Room No. 3, Scheme No. 29.	Mr. Rajabusen Vallimahomed.	M.C.A. 3101/III 16-9-1942	Rs. 54-2-0	... By instalment.	
6	Scheme 37, Case 118, 2nd floor and 3rd floor room Nos 1-3 and 1-3.	Kassam Ismail ...	M.C.A. 3709/III 24-6-1943	Rs. 130 for the priod ending November 1934. Written off under S.C.R. No. 1170 of 18-11-1942		
7	Sale of rights of cultivation in Scheme 56.	Raoji Raghoo ...	M.C.A. 3726/III 28-6-1943	Rs. 5-0-0	... Receipt No. 4070 of 29-7-1943.	

Arrears of Rent (Permanent).

112 cases of heavy arrears of ground rent from lessees for 4 quarters and over were reported to the Estate
M.C.A. 2342/III
16-10-1941
M.C.A. 2939 III
11-7-1942
&
M.C.A. 275/III
19-9-1944
Agent. He replied that recoveries were effected in all cases except the following case :—

On a scrutiny of papers of High Court Suit against Mr. Tricumdas Kallianji, lessee of plot No. 24, it was noticed that a sum of Rs. 32-13 0 paid to the Jupitor General Insurance Company, Ltd., as premium was not included in the plaint and consequently in the consent decree dated the 11th July 1944. A further sum of Rs. Rs. 27-14-0 was also not allowed by the Court in the decree as the payment thereof was not then made.

The Estate Agent has been advised to take steps to recover these amounts and advise.

15 cases of arrears of ground rent due from the lessees for four quarters (*i.e.* 12 months) and over was
M.C.A. 246 III
7-8-1944 c
forwarded to the Estate Agent for early recovery.

Arrears of Rent (Temporary).

Mr. N. B. Godbole vacated a bungalow in scheme 6, leaving arrears of Rs. *120 at*
M.C.A. 1246 III
17 7-1940
Rs. 40 per month for the period ending June 1938. It appears from the papersr *that* no action was taken for a period of 1½ years, although Standing Committee's *orders* were obtained to file a suit in Novembe 1938. The Estate Agent replied that claim *suit* was not filed as the inancial condition of the party was not known and although sub equently it was ascertained that the party owned one ink factory and other property jointly with his brother at Khed, near Poona, no action was taken as it was considered to be very expensive. Audit further pointed out that the procedure mentioned by the Estate Agent that no notes were kept by the staff, of the inquiries made about the ex-tenants unless substantial information was secured might give sufficient ground and indulgence to the staff for negligence of duty. The Estate Agent thereupon issued a circular that the Rent Collecting Staff should enter in a diary the efforts (if any) made by them to recover arrears from ex-tenants.

M.C.A. 1440/III
9-10-1940 &
M.C.A. 2408 III
14-11-1941
} Several cases of arrears of over six and nine months were referred to the Estate Agent.

The Estate Agent's further reply is awaited.

Final replies to the following cases of heavy arrears reported last year are still not received —

Arrears of Rs. 528 from Mr. R. S. Nikalje.
M.C.A. 1261/III
25-7-1940

18 cases of arrears of 1937-38 due from traceable tenants. Recoveries have been effected in full in 8
M.C.A. 1500 III
13-11-1940
cases and in part in one. In one case the arrears are reported to be irrecoverable. The Estate Agent's reply in the remaining eight cases is awaited.

Arrears of Rs. 50 and Rs. 75 from one Bahadur Agnoo.
M.C.A. 1660/III
7-2-1941

Arrears of Rs. 1,642-9-0 due from Mr. B. R. Bhonsale for occupancy of rooms in case 899/2, scheme 57
M.C.A. 1239/III
17-7-1940 &
M.C.A. 1659/III
7-2-1941
and a piece of land in case 403 in the same scheme.

One Mr. Khara Baba was in arrears of Rs. 80-8-0 at Rs. 3-8-0 per month from November 1937 to
M.C.A. 1280 III
29-7-1940
September 1939 *i.c.* for 23 months for occupation of room 3, second floor, case 774A, scheme 57. The Estate Agent replied in 1945 after a lapse of 5 years that frequent transfers of the staff and other reasons made the case run into heavy arrears. The ex-tenant was dead ; ere was no trace of his legal heirs and the arrears would be included in the write-off statement.

The plot at Cruickshank Road next to the Municipal Head Office, admeasuring 1,500 square yards was
M.C.A. 1332 III
23-8-1940
&
M.C.A. 5/III
6-4-1944
leased under Standing Committee Resolution No. 4435 of 30th August 1933 to the heirs and representatives of the Late Mr. E. K. Patel for a period of three years at a monthly rent of Rs. 475 on condition that the rent should be paid every month in advance and that the tenant should not mortgage his interest without the assent of the Commissioner.

It was, however, mortgaged by Mr. N. C. Patel, the legal heir of Mr. E. K. Patel to Mr. J. S. Lam of of Messrs. Lam & Co., Solicitors in 1937, which fact appears to have been known to and connived at by the Department, which received rent from Mr. Lam for neraly two years during 1937 & 1938.

Then Mr. Lam disowned his liability to pay ground rent to the Municipality. The Legal Assistant poined on 10th October 1939 that Mr. Lam was not liable to pay the arrears of ground rent. Thereafter the

files of papers remained in the division without disposal from 1940 to 1943. Audit note was sent to the Department on 23rd August 1940 under No. M.C.A. 1332-III., and again on 6th April 1944 under No. M.C.A. 5/III, which remained unreplied upto 24th April 1944, when the enitre Municipal claim of Rs 1,384-7-0 was settled at Rs. 500 under Standing Committee Resolution No. 281 dated the 2nd June 1944.

Firstly the Department failed to revise the agreement when the lease was mortgaged to Mr. Lam. Secondly little attention appears to have been paid towards the recovery of the amount for nearly three years when the entire claim had to be settled at a loss of Rs. 884-7-0.

Three cases of outstanding arrears of vacated tenancies aggregating to Rs. 1,624-8-0 were referred to the,

M.C.A. 1561/III
10-12-1940

Estate Agent on 10th December 1940 who repied in 1943 that amounts aggregating to Rs. 1,404-8-0 became irrecoverable as timely aclion could not be taken owing to the locality being affected by Hindu-Muslim riots and mill strike.

The Estate Agent's reply regarding the balance of arrears of Rs. 220 is awaited.

The papers showed nothing but the usual way of delaying actions on the part of rent collecting staff still the arrears were piled up and then of reporting on the untraceability of the defaulters etc., Audit, therefore, suggested strong action by the Commissioner to eject the defaulters in time. As aresult a new set of rules fixing the procedure to be followed by the rent collecting staff has been framed and brought in force since 1st April 1943.

Regarding arrears due from one minocheher D. Kaikhushroo, the Estate Agent replied that as the

M.C.A. 2200 III
8-10-1941

Hornby Ballard Scheme was transferred from one division to another division on 1st June 1938 the papers of the party were mixed up with other papers and as a result action was not taken. Later on, however, the missing papers were traced out when it was noticed that the party had applied for insolvency and the claim was lodged with the Official Assignee, who has since paid a sum of Rs. 263-6-1 in full settlement of the claim.

The Commissioner remarked that the missing of papers had become somewhat frequent and he, therefore, instructed the Estate Agent to warn the staff against the happening of that knid and deal severely in future with those who may be found responsible for misplacing papers.

Only two instalments of Rs. 2 each were found recovered towards large arrears of Rs. 120 due from

M.C.A. 2405/III
13-11-1941

M. J. Sultanally Bandeally for occupation of vacant land in scheme 29. The Estate Agent was therefore, asked to increase the amount of instalments and to see that the party paid the instalments regularly.

Reply is awaited.

Regarding arrears of Rs. 106-5-0 at Rs. 5-13-0 per month due from F. Perreira for occupation of room

M.C.A. 2817/III
11-5-1942

No. 33, 1st fl or, block No. 6, Superibag Chawls. In the interim reply the Estate Agent stated that the old arrears represented a gap on account of non-intimation of paysheet recoveries by the Chief Accountant. The Estate Agent's further reply is awaited.

Regarding 51 items of arrears of vacated tenancies for 1941-42 referred to the Estate Agent, he replied that

M.C.A. 2961/III
24-7-1942

the arrears in respect of 12 items were recovered in full and in 14 other cases they were reduced by adjustment of deposits etc., and in ten cases they were being included in the write-off statement. Papers in respect of three items were not available. The Estate Agent's further reply is waited.

On a reference by Audit regarding the arrears of Rs. 266-2-6 at Rs. 13-13-0 per month left by a tenant

M.C.A. 2985/III
3-8-1942

who occupied a piece of vacant land at C. P. Tank Road, the Department recovered a sum of Rs. 100 and compromised the claim with the sanction of the Standing Committee under No. 1926 dated the 14th March 1945.

In this case the tenancy stood in the joint names of Messrs. K. K. Gandhi and C. S. Patel prior to 1st

M.C.A. 3006/III
10-8-1942

January 1938. It appears to have been transferred in the name of Mr. Gandhi alone after that date. The outstanding against this tenancy in respect of rents and taxes are 550 and Rs. 273 4-0 (Rs. 132-13-0 *plus* Rs. 140-7-0) respectively. A suit was filed against Mr. Gandhi and a decree obtained after a considerable lapse of time for Rs. 330, out of Rs. 550 on account of rent, leaving a balance of Rs. 220 which was time-barred. The decree also remained unexecuted. As a result of audit insistence to trace out the party and recover the amount, further correspondence appears to have been carried on by the Department with Mr. C. S. Patel Mr. Gandhi has been working as advertisement agent on the Bhawanagar State Railway. The Estate Agent has been asked to report the recoveries when made from the party concerned Reply is awaited.

Out of 4 cases of arrears referred to the Department, recovery of Rs. 45-3-0 has since been effected and.

M.C.A. 2731/III
18-9-1942

the arrears in respect of other three items are proposed for write-off, being irrecoverable.

Outstandings of rent and court costs amounting to Rs. 98-13-0 due from S. N. Shanbag were written-off

M.C.A. 3103/III
25-11-1942

under the Standing Committee Resolution No. 792 dated the 2nd Sepaterber 1942, although a decree was obtained against him in respect thereof. The Estate Agent replied that in view of the feasibility of execution of the decree, the matter was kept pending. His further reply is awaited.

Regarding arrears of Rs. 3,387 due from Mr. N. A. Todiwalla as on 1st December 1942 for the occupa-

M.C.A. 3251/III
3-12-1942

tion of plot No. 2942 at Arthur Road Bridge at Rs. 132-12-0 per month. Although the Standing Committee's sanction was taken on 6th March 1940 to file a claim suit no action was taken against the ex-tenant till March 1941, when he died. No action was also taken against his heirs till 22nd December 1942, when the plot was re-entered upon by the Municipality. The Estate Agent replied that as there were no assets belonging to the party worth attachment, claim suit was not filed. The Estate Agent's further reply regarding crediting the sale proceeds of the building to Capital Account and the deposit of Rs. 796-8 0 to miscellaneous revenue is awaited.

Regarding arrears of Rs. 6,247 10 0 due from Mr. Damji Lalji in respect of different occupations, the

M.C.A. 3239/III
18-12-1942

Estate Agent replied that properties of Damji Lalji had since been vested in the Court Receiver who was requested to clear the arrears. Further report of the recovery is awaited.

Regarding arrears in respect of departmental occupations in Block No. 1, Palton Road Chawls. The

M.C.A. 3290/III
18-12-1942

Estate Agent's reply to audit reference is not yet received.

Heavy arrears of vacated and running tenancies of the party referred to the Estate Agent have since been

M.C.A. 3310/III
5-1-1943

recovered.

Out of 18 cases of outstanding riot taxes of 1936 due from the existing tenants full recovery has been made
M.C.A. 2729/III in 14 cases. Reply regarding the remaining four cases is awaited.

7-4-1942

The arrears of Rs. 500 due from one Malik Odius Malik Hamidulla were reported as being recovered by
M.C.A. 2428/III instalments. The Estate Agent however, subsequently reported that the party was not
traceable. In another case papers were called for but they are not yet received.

26-10-1941

Mr. B. G. Acharya, an existing tenant, was in arrears of Rs. 68 for the period ending January 1938. The
M.C.A. 3592/III arrears have since been recovered at the instance of audit.

19-4-1943

Arrears of rent due from Mr. Chhaganlal Kara were recovered at the instance of audit. The Estate
M.C.A. 3869/III Agent has been advised that in cases where the monthly rent is Rs. 100 or more scrupulous
care should be taken to see that recoveries are effected from month to month.

2-9-1943

To audit reference regarding 89 cases of arrears for six months and over, the Estate Agent replied that
M.C.A. 3902/III generally the arrears over six months were considered bad and that efforts were being made
to reduce them. The Estate Agent has been questioned as to why steps were not taken to
21-9-1943 eject them in time.

Reply is awaited.

To an audit reference regarding arrears of Rs. 55 due from one Mahomed Ibrahim the Estate Agent
M.C.A. 3958/III replied that the party was not traceable and the arrears would be included in the write off
statement.

15-10-1943

Arrears of Rs. 53 9 0 due from Tejuddin Kutubuddin Rajguru, a Municipal employee, is still outstanding.
M.C.A. 4177/III The Estate Agent's reply is awaited.

17-2-1944

Out of 22 cases of arrears referred to the Estate Agent, recoveries have been effected in 5 cases; 7 cases are
M.C.A. 4212/IV reported to be irrecoverable and in 10 cases the Department is said to be taking steps to re-
cover or adjust st the amounts against deposits.

3-3-1944

The Estate Agent's report in the latter 10 cases is awaited.

M.C.A. 3790/II Two cases of heavy arrears were referred to the Estate Agent. Reply is awaited.

23-7-1943

Messrs. Ahmed Abdul Karim Bros., vacated Municipal premises known as Crusher Building at Carnak
M.C.A. 57/III Road, leaving rent in arrears of Rs. 300 for April 1942. Although this amount of arrears
was recovered on 10th July 1942 under receipt No. 635/71 and posted in the bad and doubtful
5-5-1944 debt register subsequently on 30th October 1942, the Department effected an adjustment
appropriating Rs. 300 out of the party's deposit of Rs. 900 towards the arrears.

No reply is still received to the note as to why the adjustment was proposed by the Estate Agent's Depart-
ment and also carried out by the Chief Accountant in the absence of arrears appearing in the books.

One J. D. Dossa was ejected through Court on 1st December 1938 from his occupation of the Municipal
M.C.A. 4034/V premises in case 23, Scheme 60. Although the financial condition of the party was then
reported to be sound, no action was taken for over one year to file a claim suit to recover the
16-5-1944 arrears of Rs. 1,402 at Rs. 87-10-0 per month and the Court costs of Rs. 118-1-0 and the
papers were reported to be lying in *ex*-rent collector's chowkey without any action. The arrears were subse-
quently recommended to be written-off as they had become time-barred.

It is apparent from this that the movements of papers requiring prompt action are not being watched by
the Department with the attention it deserves.

Rs. 1,255 in respect of right of collecting fruits in Mahim for the period ending 31st March 1943.
M.C.A. 304/III

18-9-1944

The Estate Agent replied that the amount of arrears was recovered on 26th March 1942, but was left in the
deposit account and it had since been proposed for adjustment. The staff concerned was warned to be careful
in future.

Six items of heavy arrears of rent aggregating to Rs. 1,163-11-3. The Estate Agent replied that the
M.C.A. 305/III arrears in three cases were proposed for adjustment, the intimations whereof were awaited
from the Chief Accountant and that action for recovery was being taken in the remaining items.
18-9-1944 Further report is awaited.

Arrears of Rs. 270 per month and Rs. 45 per month for occupation of room5, ground floor, plot 36,
M.C.A. 338/III scheme 3. The tenancy was transferrred in the name of the brother of the original tenant on
taking a pro-note for the arrears. The Estate Agent replied that the arrears were being
11-10-1944 recovered by instalments and the amount of arrears left was Rs. 150. Further report is
awaited.

(2) Arrears of Rs. 30 at Rs. 7-8-0 per month for occupation of room 1, ground floor, case 579/580, scheme 52.
The Estate Agent replied that the arrears of Rs. 22-8-0 would be included in the write-off statement after
adjusting Rs. 7-8-0 from deposit.

Arrears of Rs. 96 at Rs. 12 per month for the period ending September 1944 for occupation of room 2nd,
M.C.A. 395/III ground floor, Case 2-C, Scheme 57. The amount was recovered on 10th November 1944.

31-10-1944

One Dattatraya Vithal vacated room No. 69, 3rd floor, block No. 10 on 1st July 1943, leaving arrears of
M.C.A. 129/III Rs. 49 at Rs. 7 per month. Audit reference being made to the Estate Agent, the amount was
recovered in full but the papers were reported to be missing.

31-5-1944

274 items of arrears of rent of vacated tenants were reported to the Estate Agent for recovery and advise.
M.C.A. 181/III Reply is awaited.

29-6-1944

A C. I. Sheet structure comprising of ground and first floors in case No. 851, Scheme 6, Sion, was let
M.C.A. 382/III to one Mrs. Blanche at a monthly rent of Rs. 50-9-0. As she was found in arrears and as the
shed was considered to be in a delapidated condition, ejectment suit was filed against her and
30-10-1944 she was asked by the Court to vacate the premises. However, the party paid up the arrears
and was allowed to continue occupation of the premises.

Again the arrears piled up for several months, out of which at the instance of audit a sum of Rs. 388-6-3 was recovered later and the balance of Rs. 186-5-9 remained unrecovered which has since become time-barred.

Outstanding items regarding arrears of rent:—

(1) 54 items of arrears of six months and over in respect of Municipal taxes.

M.C.A. 113/III
23-5-1944

M.C.A. 341/III
12-10-1944 (2) Arrears of Rs. 168-2-0 at Rs. 24-8-0 per month as on 1st October 1944 for rooms 23-24, ground floor, Case 311-A, Scheme 3.

(3) Arrears of Rs. 93-7-0 and Rs. 26 at Rs. 7-3-0 and Rs. 2 per month respectively as on 1st October
M.C.A. 390/III 1944 for the occupation of rooms 1-2 and 3, Case 988, Scheme 57.
30-10-1944

(4) Arrears of Rs. 211-14-0 at Rs. 35-13-0 per month for occupation of 358 square yards of vacant land
M.C.A. 394/III in case 42-44, scheme 5 7 for the period ending September 1944.
31-10-1944

(5) Outstanding arrears of Rs. 290 for occupation of a portion of case 132, Scheme 37. (Standing Com-
M.C.A. 583/III mittee Resolution No. 1522, dated the 23rd February 1938).
19-2-1945

Arrears of Court Costs.

Items of outstanding court costs which were sanctioned to be written-off were referred to the Estate
M.C.A. 1387/III
21-9-1940
M.C.A. 680/III
30-10-1939 Agent for recovery, as they appeared to be due from existing tenants. Out of 66 items,
M.C.A. 772/III
5-1-1940
M.C.A. 1556/III recoveries have been effected in full in 33 cases and the remaining cases were either settled or
6-12-1940
&
M.C.A. 2653/III included in the write-off statement as irrecoverable.
24-4-1942

Out of three items of arrears referred to the Department, recovery of Rs. 6-8-0 in one case has been
M.C.A. 2404/III effected at the instance of audit and reply in other 2 cases is awaited.
13-11-1941

Out of 5 items of outstanding court costs brought to the notice of the Department recovery has been
M.C.A. 2893/III effected in three cases. Reply regarding the remaining 2 items is awaited.
19-6-1942

Arrears of rent and court costs amounting to Rs. 54-2-0 due from Rajabhusen Vallimahomed referred to
M.C.A. 3101/III the Department have since been recovered.
16-9-1942

Regarding arrears of court costs due from *ex*-Municipal servants the Estate Agent's reply is awaited.
M.C.A. 3263/III
10-12-1942

167 items of court costs outstanding in respect of ejectment suits were referred to the Estate Agent for
M.C.A. 281/III early recovery and advise.
31-8-1944

The Estate Agent's reply is still awaited.

Registers of Decrees and Claim Suits.

As reported last year, certain irregularities in the Registers of Decrees and Claim Suits, such as omission
M.C.A. 3984/III of entering decrees in the register, allowing the decrees to lapse, etc., were pointed out by
25-10-1943 Audit. Audit further brought to the notice of the Estate Agent that several decrees were allowed to lapse without his orders and amounts of rent were proposed for write-off in certain cases although the decrees were valid.

Papers in respect of 24 selected cases were called for on 21st December 1940. In 19 cases they were
M.C.A. 1595/III received from time to time and in the remaining five cases they are reported to be missing
21-12-1940 after over 4 years.

Out of the above five cases, two *ex*-tenants, Hirji Monji and Lawrence Monteirio were paying large monthly rents of Rs. 100 and Rs. 50 and have left heavy arrears of Rs. 390-10-0 and Rs. 133-5-8 (including Court costs) for the occupation of shops at 13-290D, Gunbow Street and 28 Parsi Bazar Street (Fort) respectively and reported to be not traceable.

The papers in the above two cases were traced out in 1943, but they were reported to be lost in transit when they were being sent to Audit Department.

25 cases of outstanding amounts shown in the Legal Assistant's Demand Registers for suits filed on behalf
M.C.A. 4034/III-V of the Estate Agent's Department referred to the Estate Agent Replies for about a dozen
3-12-1943 cases have been received and further irregularities in respect Agent's of some of them have been pointed out. The Estate replies in respect thereof as well as the remaining items are awaited.

Sale of acquired lands at Worli Koliwada.

The question regarding recovery of arrears of sale price of properties at Worli Koliwada and the registers
M.C.A. 938/III maintained in respect thereof was first raised in the year 1939-40 but it is not yet disposed of.
26-7-1940 Early attention is necessary.

Miscellaneous.

M.C.A. 1818/III
22-7-1941

Construction of sitting-out place on plot No. 402 in the Dadar Matunga Estate was sanctioned by the Deputy Municipal Commissioner (Improvements) on 29th October 1937 on payment of a premium of Rs. 407. The sitting-out place was completed on 1st February 1938 but the above premium was left unrecovered. On audit reference the Estate Agent stated that the file was misplaced, and a letter was written to the Architects on 3rd July 1941. After disputing the claim they agreed to pay up the amount of premium of Rs. 407 with the interest amount of Rs. 69-4-0 from 9th October 1941 only. The amount of Rs. 476 was recovered on 9th August 1944 and the balance of As. 4 was recovered on 12th March 1945.

M.C.A. 2556/III
20-1-1942
&
M.C.A. 2707/III
27-3-1942

As reported last year the deposit registers show a number of tenancy and other deposits received during past years remained unadjusted to revenue. Audit suggestion that these deposits should be scrutinized and adjusted to rent account or credited to unclaimed dues and deposits still remains unattended to.

Replies to the following references are still not received :—

M.C.A. 3498/III
9-3-1943

Re : Recovery of difference in rent for the occupation of increased area.

M.C.A. 3493/III
9-3-1943

Re : Arrears of rent for 28 months at Re. 1 per month in respect of access over the Tulshi Pipe Line.

M.C.A. 2226/III
21-8-1941

Re : Irregularities in Demand Registers for court costs.

M.C.A. 2249/III
30-8-1941

Re : Arrears in connection with a sale of right.

M.C.A. 3536/III
23-3-1943

As reported last year the interest register was found incompletely written and not checked by the Chief Accountant's staff. To an audit reference the Estate Agent replied that the register would hereafter be maintained properly.

M.C.A. 3385/III
22-4-1943

Three cases of occupation of rooms for 2 years, 7 years and 6 months by persons other than those in whose names the tenancies were running in the Demand Registers were noticed in connection with the Imamwada Chawls. It was also noticed that the forms of tenancy agreements showing complete information as to the address, occupation, etc., of the incoming tenants were not properly filled up so as to be useful in the event of the tenants absconding from the premises, leaving the rent in arrears. The Estate Agent's reply is awaited.

M.C.A. 4214/III
4-3-1944

The Estate Agent was advised to recover additional amounts of deposits in proportion to the increases in rents affected for shops and godowns at Mandvi Koliwada Chawls from 1st November 1943. He replied that some of the tenants being very old refused to pay additional deposits making in all equal to two months' rents. Ultimately the Municipal Commissioner agreed to recover only one month's rent as deposit from such old tenants.

M.C.A. 36/III
19-4-1944

A chawl superintendent had issued 12 receipts on Saturday the 15th April 1944 for rents aggregating to Rs. 85-10-0 collected from the tenants of the Mandvi Koliwada Chawls. A reference was made to the Department as to how the Chawl Superintendent happened to go to collect rents in the area affected by fire on the very next day of the explosions.

The Estate Agent replied that the Assistant Chawl Superintendent had passed post, dated receipts as it was not possible for him to pay the amount of collection into Office on the very day within the usual hours.

Audit contradicted the statement of the rent collection staff as the 14th April 1944 was not one of the days fixed for the Chawl Superintendents to bring in their amounts of collections.

The Chawl Superintendent was warned by the Deputy Municipal Commissioner (Improvements).

M.C.A. 4034/III
22-4-1944

No action appeared to have been taken to recover the balance of decretal amount in High Court Suit No. 569 of 1939. The Estate Agent was requested to make the recovery and advise.

It was also suggested to the Estate Agent that the responsibility for making timely action for the execution of the Court decrees should be fixed on some officer of his Department and also that a register showing the demands in respect of decretlal amounts and costs and the recoveries effected there against should be maintained.

Reply is awaited.

M.C.A. 65/III
9-5-1944

Two statements containing 29 and 68 items, selected in test check from Circulating Register of two divisions, were sent to the Estate Agent pointing out the irregularities and calling for complete papers in respect of some of them. Although addresses and other particulars of defaulting tenants are available, no efforts appear to have been made to effect recoveries in respect thereof. The Estate Agent replied regarding the first statement of 29 items that the tenants in 13 cases were untraceable in some cases suits were to be filed and so on. The reply regarding the second statement of 68 items is still awaited.

M.C.A. 119/III
26-5-1945

Lessee of plot No. 111, Sion Matunga West, was given a rebate of 6 per cent. per annum for the free period given up from 8th January 1942 although full amount of commutation was not paid by him. The balance amounting to Rs. 1,352-6-0 was paid on 9th June 1942. The Estate Agent was, therefore, requested to recover interest at 6 per cent. per annum on Rs. 1,352-6-0 from 8th January 1942 to 8th June 1942.

The Estate Agent replied that the demands of commutation amounts are made on approximate area only and accordingly the party paid the same. The correct area after joint survey was found more and the balance was demanded on 25th May 1942 which the party paid on 9th June 1942. This shows delay of over four months in taking joint survey and loss of interest on the balance of commutation amount for that period.

On a test check of the Demand Register of Scheme 59, some attics were found continuously vacant. They were inspected on spot on 24th May 1944 and 20th May 1944 with the rent collector and were found in actual use of the ground floor tenants for stocking materilas. Obviously therefrom the supervising staff never seemed to have inspected the premises. The Estate Agent was requested to let out the rooms to those who were prepared to take them along with attics. The Estate Agent replied that two attics being unfit for human habitation had since been demolished and the demands in respect thereof were deleted from the Demand Register and third one was rented out at Rs. 1-8-0 per month. The Deputy Municipal Commissioner (Improvements) agreed that independent access for lofts may be provided so that they can be reasonably let or offer to let the other tenements without the loft be refused.

M.C.A. 120 III
26-5-1944
&
M.C.A. 132 III
1-6-1944

On spot inspection of case 397-3/38 in scheme 58, it was noticed that attics 1-3 and 4 were found vacant for nearly two years. The entrance to the attics was found to be through the premises of ground floor-tenant. A statement of unlet attics containing monthly rents and period during which they were vacant was called for from the Estate Agent. He was also asked as to why the attics should not be let out along with the adjoining rooms.

M.C.A. 154 III
14-6-1944

The Estate Agent's reply is awaited.

The following irregularities were reported as a result of spot-audit of Sydenham Road and Chinchbunder Chawls:—

M.C.A. 369 III
26-10-1944

(1) Two receipts were issued to one Purshottam Lakhmaji for the rent of June 1944 in respect of his occupation in Chinchbunder Chawls on 14th July 1944 and 13th September 1944.

(2) Three full drums of phynile were shown in the stock book, whereas two full, one almost full and half used were actually in stock.

(3) Fourteen empty phynile drums, fourteen old dust-bins and two very old big drums were not accounted for.

(4) The quantity of coir ropes as per stock book was nil, whereas actually there was a good stock of coir ropes.

(5) Two pick axes were shown in the stock book whereas there was only one unused pick axe in stock.

The Estate Agent's reply is not yet received.

Owing to innumerable scratchings and overwritings in a rent collector's rent register, a spot audit was arranged and receipts with the tenants were verified with the register. Although nothing incriminating was found in connection with the recoveries made by the Rent Collector a reference was made to the Estate Agent who has issed necessary warning to the Rent Collecting Staff to be careful in writing the registers.

M.C.A. 463 III
5-12-1944

Seven tenements in scheme 57 appeared vacant for one year and over as per Demand Registers. A reference was made to the Estate Agent whether the premises were not in a habitable condition and if so, what steps were taken to rent them out during these abnormal days.

M.C.A. 448/III
28-11-1944

E.A's reply is awaited.

The following irregularities in one rent collector's rent register were reported:—

M.C.A. 460/III
4-12-1944

(1) Recoveries were being made quarterly in some cases, where large amounts of monthly rents were involved.

(2) Areas in respect of vacant land occupations were not recorded.

As a result of the test check of Circulating Registers the following irregularities were reported:—

M.C.A. 532/III
22-1-1945
&
M.C.A. 578/III
17-2-1945

(1) The registers not maintained upto date.

(2) Adjustments stated to have been proposed during 1942-43 not found carried out in the Chief Accountant's books till the end of 1943-44.

(3) Remarks made in the register by the members of the Rent Collection Staff not attested.

(4) Sufficient space not kept in between the two entries.

(5) Remarks against several items incomplete.

(6) No action found to have been taken against defaulters although their addresses were available.

(7) No recoveries effected although remarks were made in 1943 that the parties promised to pay.

The Estate Agent's reply is not yet received.

Statemeot showing the cases wherein papers were reported to be missing by the Department.

Serial No.	Case No. and Date.	Subject-matter.	Name of the Party.	Remarks.
1	R.A. 72 of 14-1-1939 and E.A.'sMisc. 421 of 22-8-1940.	Occupation in Agripada 12 blocks...	Mr. P. F. Ferandes ...	Sanction papers not traceable.
2	M.C.A. 1280/III of 29-7-1940...	Occupation of Room No. 3, 2nd floor, case 774A, Scheme 57	Khara Baba ...	Action papers and original audit note missing.
3	M.C.A. 1595/III of 21-12-1940.	Items of current claim suit ...	Five cases in a statement of 19 cases.	Papers reported missing after four years.
4	M.C.A. 3550/III of 30-3-1943 ...	Arrears of rent and Court costs written off under Standing Committee Resolution No. 13 of 1-4-1942.	Ten cases ...	Papers not traceable.
5	M.C.A. 3598/III of 22-4-1943 ...	Recoverable arrears from write-off statement under Standing Committee Resolution No. 1342 of 2-12-1942.	Jehangir B. Pajnigara and D. J. Signaporia.	Action papers missing.
6	M.C.A. 129/III of 31-5-1944 ...	Occupation of room on 3rd floor, block 10, Mazagaon Chawls.	Dattatraya Vithal, ex-Constable, Police Department.	Correspondence not traceable.
7	M.C.A. 3572/III of 13-4-1944 ...	Write-off statement for the period from July 1937 to September 1937.	Several cases ...	Action papers not available.
8	M.C.A. 3831/III of 14-8-1943 ...	Write-off statement sanctioned under Standing Committee Resolution No. 1342 of 2-12-1942.	Several cases ...	Papers not available.

DIVISION 'B'

Statements of receipts and payments and Balances Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a summary form.

(*Note* 1 :—Unless specially indicated, the figures through out this report are in lakhs of rupees.)
(*Note* 2 :—In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included.)

I.—Municipal Accounts (Proper).

Revenue Account.

1. *Explanatory.*—The original Budget Estimate for the year anticipated a revenue deficit of Rs. 22.69 The actuals, however, resulted in surplus of Rs. 16.82. The improvement of Rs. 39.51 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 36.01 and less expenditure of Rs. 3.50.

2. *Summary of Revenue transactions for the year.*

	Actuals 1943-44.	Budget 1944-45.	Revised 1944-45.	Actuals 1944-45.
	Rs.	Rs.	Rs.	Rs.
Opening Balance ...	45.87	36.59	64.01	64.01
Income ...	403.98	393.76	416.48	429.77
Expenditure ...	390.96	416.45	422.17	412.95
	13.02 (Surplus)	22.69 (Deficit.)	5.69 (Deficit.)	16.82 (Surplus)
Balance	58.89	13.90	58.32	80.83
Recoupment of Advances etc. ...	+5.12	...	—1.31	—11.75
Closing Balance ...	64.01	13.90	57.01	69.08

Lapsed Grants.—The amounts of lapsed grants estimated to be renewed during the year 1945-46 aggregates Rs. 18.13 against Rs. 10.77 in 1944-45 showing an increase of Rs. 7.36. The details are given in Appendix 4 of the Chief Accountant's report.

3. Summary of receipts according to service heads as compared with Budget and Actuals of previous year.

Head.	Budget 1944-45.	Actuals 1944-45.	Increase or decrease over Budget 1944-45.	Actuals 1943-44.	Increase or decrease in actuals for 1944-45 as compared with those for 1943-44.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, Indirect Taxation and Misc. Revenue ...	170.73	185.51	+14.78	176.43	+9.08
(2) Water Works ...	105.23	111.29	+6.06	101.29	+10.00
(3) Education-Primary ...	9.50	9.67	+.17	9.43	+.24
(4) Education-Secondary ...	...	.01	+.01	.01	
(5) Public Health Department ...	1.21	2.10	+.89	1.20	+.90
(6) Medical Relief and Education ...	1.68	2.64	+.96	1.86	+.78
(7) Street Cleansing etc. ...	41.82	45.41	+3.59	43.20	+2.21
(8) Roads, Drains and Sewers ...	16.04	20.04	+4.00	19.10	+.94
(9) Mechanical ...	.60	.70	+.10	.57	+.13
(10) Buildings. ...	14.04	14.77	+.73	15.26	—.49
(11) Fire Brigade ...	7.02	7 49	+.47	7.26	+.23
(12) Licensing ...	5.18	5.89	+.71	5.94	—.05
(13) Gardens and Open spaces ...	1.02	1.09	+.07	.52	+.57
(14) Markets and Slaughter Houses ...	15.90	20.14	+4.24	17.76	+2.38
(15) Contribution from Capital Funds ...	.80	.58	—.22	.66	—.08
(16) Extraordinary Receipts ...	1.25	1.06	—.19	1.29	—.23
(17) Rebate from Government on account of Urban Immoveable Property Tax ...	1.74	1 82	+.08	1.77	+.05
(1) Excess accumulation— in the Plant & Machinery Depreciation Fund....	...	—.44	—.44	.44	—.88
Total Rs. ...	393.76	429.77	+36.01	403.99	+25.78

The main items contributing to the net increase of Rs. 36.01 over the Budget are given in para. 6 of the Chief Accountant's Report.

4. Statement from, various Municipal Departments of demand, collection and arrears of Municipal dues as on 31st March 1945 have not been received duly reconciled with the figures of the Chief Accountant's Department.

5. Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year.

Head.	Final Budget Grants. 1944-45.	Actuals 1944-45.	Increase or decrease over final Budget grants, 1944-45	Actuals, 1943-44.	Increase or decrease in Actuals for 1944-45 as compared with those for 1943-44
	Rs.	Rs.	Rs.	Rs.	Rs.
I. General Supervision	14.24	12.77	— 1.47	12.36	+ .41
II. Water Works	75.79	71.42	— 4.37	70.43	+ 0.99
III. Education—Primary	57.78	55.04	— 2.74	48.76	+ 6.28
IV. Education—Secondary	.53	.44	— .09	.46	— .02
V. Public Health Department	13.52	11.74	— 1.78	10.91	+ .83
VI. Medical Relief and Education	33.56	28.70	— 4.86	28.13	+ .57
VII. Street Cleansing and Conservancy	35.56	31.90	— 3.66	32.19	— .29
VIII. Roads, Drains and Sewers	70.39	64.68	— 5.71	60.46	+ 4.22
IX. Mechanical	19.63	17.74	— 1.89	16.58	+ 1.16
X. Buildings	23.26	22.75	— 0.51	22.66	+ .09
XI. Fire Brigade	6.68	5.30	— 1.38	5.01	+ .29
XII. Licensing	2.06	1.98	— .08	1.97	+ .01
XIII. Gardens and Open Spaces	5.06	4.49	— .57	4.11	+ .38
XIV. Markets	8.16	7.20	— .96	7.56	— .36
XV. Contribution towards Improvement Schemes ...	27.27	27.27	..	26.27	+ 1.00
XVI. Provident Fund, etc.	11.94	11.13	— .81	10.93	+ .20
XVII. Urban Immoveable Property Tax	.57	.46	— .11	.50	— .04
XVIII. Grain Compensation	35.34	34.60	— .74	24.45	+ 10.15
XIX. Grants in-aid to Public Institutions. ...	3.39	2.64	— .75	3.39	— .75
XX. Measures for Civil Defence. ...	2.53	.70	— 1.83	3.82	— 3.12
XXI. Extraordinary Measures—Removal of debris, etc. from the fallen building at Jamshetji Tata Road.	...	...	...	.01	— .01
Total ...	447.26	412.95	— 34.31	390.96	+ 21.99

The figure of actuals for 1944-45 includes debt charges amounting to Rs. 124.89 of which Rs. 18.58 were on account of Sinking Fund instalments Rs. 41.64 of repayment of Government Loans and advances from Special Funds, Rs. 64.53 on account of interest and Rs. .14 Bank and miscellaneous charges.

The sanctioned Budget Grant (Original) for 1944-45 was Rs. 417.34. The additional funds made available during the year were Rs. 10.69 on account of renewed grants and Rs. 19.23 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 447.26. Against this, expenditure booked was Rs. 412.95 leaving a balance of Rs. 34.31 of which Rs. 18.13 is required to be renewed for expenditure during the 1945-46, Rs. 16.18 being treated as savings on final sanctioned grants as detailed in Appendix No. 4 of the Chief Account's Report.

Transfers from one budget head to another without affecting the total Budget provision for the years amounted to Rs. 11.01

Main factors contributing to decreases over the final sanctioned grants are mentioned in para 12 of the Chief Accountant's Report.

6. Comparative statement showing the financial position of the last five years.

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1940-41 ...	356.31 (*a*)	359.18	...	2.87
1941-42 ...	367.66 (*b*)	359.21	8.45	...
1942-43 ...	389.02 (*c*)	364.65	24.37	...
1943-44 ...	403.99 (*d*)	390.96	13.03	...
1944-45 ...	429.77 (*e*)	412.95	16.82	...

(*a*) includes Rs. 1.42 on account ofinterest on Net Premia Fund, (*b*) includes Rs. 1.35 on account of interest on the Net Premia Fund and Rs. 1.40 on account of transfer of excess accumulations from the Plant & Machinery Depreciation Fund, (*c*) includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous year, (*d*) includes Rs. 1.29 on account of interest on Net Premia Fund and Rs. .44 on account of excess accumulation in the Plant and Machinery Depreciation Fund and (*e*) includes Rs. 1.06 on account of interest on Net Premia Fund.

7. *Liabilities and Assets of Revenue Account.*

LIABILITIES.

		Rs. a. p.	Rs. a. p.
1.	Unpaid amounts of cash and cheque bills and bills for Stores.		
	(*a*) Cash bills.	39,628 4 8	
	(*b*) Cheque bills.	9,58,504 15 3	
	(*c*) Stores (Reserve)	2,40,668 8 3	
	(*d*) Stores (Capital)	*Dr.* 73,442 7 3	
			11,65,359 4 11
2.	Reserve for grants to be renewed for meeting outstanding charges for 1944-45 and previous years.		18,13,000 0 0
3.	Interest accrued but not paid.		10,51,864 0 0
4.	Reserve for contribution to Improvement Schemes account falling due in 1945-46.		27,69,580 0 0
5.	Stock Adjustment Account.		27 2 6
6.	Deposits from contractors and private parties.		1,06,34,345 12 11
7.	Surplus Revenue Fund.		1,05,26,468 5 2
		Total ...	2,79,60,644 9 6

ASSETS.

		Rs. a. p.	Rs. a. p.	Rs a p.
(1)	*Cash.*			
	A. In current account with Imperial Bank of India		58,45,316 13 7	
	B. On account of Municipal and Trust loans interest warrants payable Accounts—			
	1. Imperial Bank of India.			
	(*a*) Municipal ... 28,162 3 2			
	(*b*) Trust ... 8,443 3 4	36,605 6 6		
	2. Hongkong and Shanghai Banking Corporation	4,368 15 4		
	3. The Chartered Bank of India, Australia and China (London)	13,260 0 0		
	4. The Imperial Bank of India (Calcutta).	*...	54,234 5 10	
	C. In Office Treasury		2,91,852 14 5	
	D. Investments in fixed deposits and current accounts with different local Banks ...		81,71,318 14 3	
				1,43,62,723 0 1
(2)	*Securities.*			
	A. With the Imperial Bank of India—			
	(*a*) Municipal Account	73,72,617 0 3		
		15,368 1 0		
	(*b*) Contractor's Account	9,12,800 0 0		
			83,00,785 1 3	
	B.—In Office—			
	(*a*) Contractor's Account		5,95,200 0 0	
				88,95,985 1 3
(3)	*Stores, Stock, Advances, etc.*			
	(*a*) Due for stores sold			34,487 12 0
	(*b*) Stock of Stores			12,79,525 9 2
	(*c*) Interest receivable			.....
	(*d*) Advances—			
	(*i*) For Plant and Machinery ...		20,36,032 15 4	
	(*ii*) Other advances recoverable ...		13,51,890 3 8	
				33,87,923 3 0
			Total Rs. ...	2,79,60,644 9 6

Note:—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are excluded from the above statement and shown separately.

* Statement of accounts sent by the Culcutta offices of the Impirial Bank shows a credit balance of Rs. 421-14-0.

8. *Special Funds.*—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called 'The Fines Fund'.

The Position of the Special Funds as at 31st March 1945 was as under :—

Name of Fund.	Balance on 1-4-1944	Credits during the year.	Debits during the year.	Balance of Advances for Capital and other Works.	Balance in Cash and securities.	Balance on 31-3-45 (as per columns 5 and 6.)
1.	2.	3.	4.	5.	6.	7.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs a. p.
1. Municipal Fire and Accident Insurance Fund ...	11,75,668 1 8	55,926 12 0	2,530 1 0	3,79,769 2 0	8,49,295 10 8	12,29,064 12 8
2. Worn-out Water Mains Renewal Fund	3,276 14 3	168 3 0	1,656 4 0	.....	1,788 13 3	1,788 13 3
3. Net Premia Fund	47,24,670 13 7	218 14 0	.....	17,67,613 7 6 (*a*)	29,57,276 4 1	47,24,889 11 7
4. Provident Fund	2,19,43,604 8 6	28,21,037 0 3	10,57,660 13 0	.....	2,37,06,980 11 9	2,37,06,980 11 9
5. Fines Fund	5,46,359 5 7	54,824 0 0	45,237 10 1	8,798 5 0 (*b*)	5,47,147 6 6	5,55 945 11 6
6. Plant and Machinery Depreciation Fund ...	16,74,287 10 1	74,114 3 8	4,617 1 0	11,08,949 9 5 (*c*)	6,34,835 3 4	17,43,784 12 9
7. Renewal of Road Surfaces Fund	28,36,593 15 5	1,82,564 8 0	1,06,767 1 0	8,23,594 14 0	20,88,796 8 5	29,12,391 6 5
8. Garden Fund	93,190 4 0	17,844 3 6	13,490 5 0	.....	97,544 2 6	97,544 2 6
9. Public Monuments Maintenance Fund... ...	1,67,745 13 0	2,885 0 0	.....	.....	1,70,630 13 0	1,70,630 13 0
10. Endowments Fund	3,09,247 2 0	29,690 5 8	27 6 0	.....	3,38,910 1 8	3,38,910 1 8
11. Hospital Fund	5,68,437 0 6	1,30,071 6 8	.....	.....	6,98,508 7 2	6,98,508 7 2
12. Land Sales Reserve Fund	24,15,098 10 4	73,627 11 0	4,92,876 9 2	19,95,849 12 2	.....	19,95,849 12 2
13. Slum Service Fund	1,70,205 6 3	5,140 8 0	36 10 0	.....	1,75,309 4 3	1,75,309 4 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	94,435 10 0	21,479 13 6	1,411 0 0	.....	1,14,504 7 6	1,14,504 7 6
15. G.S.M. College and K.E.M. Hospital Research Fund	55,049 1 11	17,794 8 0	4,156 9 0	.....	68,687 0 11	68,687 0 11
16. Pre-cast Concrete Slab Pavements Renewal Fund ...	31,018 0 0	17,307 0 0	.....	.....	48,325 0 0	48,325 0 0
17. Fidelity Guarantee Insurance Fund.	14,085 10 0	5,856 4 0	29 3 0	.....	19,912 11 0	19,912 11 0
Total Rs. ...	... 3,68,22,973 15 1	35,10,550 5 3	17,30,496 8 3	60,84,575 2 1	3,25,18,452 10 0	3,86,03,027 12 1

Note:—The above statement includes item Nos. 4, 5, 9, 10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.

(*a*) includes Rs. 1,39,911-12-0 advanced for purchase of plant and machinery for the Municipal Printing Press. (*b*) Includes Rs. 5,000 advanced to the Officer Commanding, Fire Services for conducting a grain store, Rs. 3,798-5-0 advanced to Municipal employees under Corporation Resolution No. 15 of 9-4-1942. (*c*) Includes Rs. 68,064-5-0 advanced for purchase of plant and machinery and Rs. 56,727-10-5 for meeting expenditure on levelling metalling, private streets.

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head.	Budget 1944-45.	Revised Estimates 1944-45.	Actuals 1944-45.	Difference between 3 and 4 (+ More) (—Less).
1.	2.	3.	4.	5.
Executed out of Loan Funds.	Rs.	Rs.	Rs.	Rs.
General Supervision	...	...	...	...
Water Works	6.53	13.80	6.42	— 7.38
Education-Primary (Buildings)	1.66	.06	...	— .06
Education-Secondary	.26	.26	...	— .26
Public Health	.33	1.21	.09	— 1.12
Medical Relief and Education	1.26	1.63	.31	— 1.32
Street Cleansing and Conservancy	.77	2.71	.76	— 1.95
Roads, Drains and Sewers	12.10	12.94	4.16	— 8.78
Mechanical	.94	1.42	.35	— 1.07
Buildings, Land Acquisition	.66	1.03	.28	— .75
Fire Brigade	...	1.08	.84	— .24
Markets	.62	.64	.17	— .47
Slum Service	.72	.79	.14	— .65
Measures for Civil Defence	.60	2.93	.78	— 2.15
Discount and other charges on Loans	.29	.50	.22	— .28
Plant and Machinery	.48	3.33	.46	— 2.87
Repayment of advance taken from Land Sales Reserve Fund. ...	7.50	2.50	...	— 2.50
Total Rs. ...	34.72	46.83	14.98	—31.85
Executed out of Trust Fund	.50	.02	...	— .02
Worn out Water Mains Renewal Fund	...	.09	.02	— .07
Total Rs. ...	35.22	46.94	15.00	—31.94

Remarks:—(1) The Budget of Rs. 35.22 included Rs. .29 on account of discount and other charges on the new loan and Rs. .48 on account of purchase of new plant and machinery and Rs. 7.50 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 46.94 included Rs. .50 on account of discount and other charges on the new loan, Rs. 3.33 on account of purchase of new plant and machinery.

(3) The gross figure of actual expenditure for the year Rs. 15.00+00.66 written off=Rs. 15.66 includes Rs. .22 on account of discount and other charges on loan and Rs. .46 on account of plant and machinery. The actuals fell short of the Budget (Rs. 35.22) by Rs. 20.22 and of the Revised Estimates (Rs. 46.94) by Rs. 31.94.

10. *Progressive Capital outlay not charged to Revenue upto the end of* 1944-45.

Service Head.	Expenditure upto 1943-44.	Expenditure during 1944-45.	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I. General Supervision	20.44	...	20.44
II. Water Works	998.24	6.42	1,004.66
III. Education-Primary	27.92	...	27.92
V. Public Health	16.12	.09	16.21
VI. Medical Relief	81.79	.31	82.10
VII. Street Cleansing and Conservancy	90.17	.75	90.92
VIII. Roads, Drains and Sewers	770.30	4.16	774.46
IX. Mechanical	31.68	.36	32.04
X. Buildings, Land Acquisition and Management	428.34	.28	428.62
XI. Fire Brigade	12.64	.84	13.48
XIII. Gardens	36.77	...	36.77
XIV. Markets and Slaughter Houses	81.99	.17	82.16
XV. Slum Service	6.44	.14	6.58
XVI. Measures For Civil Defence	.80	.78	1.58
Discount and other charges on loans	5.02	.22	5.24
Plant and Machinery	5.46	.46	5.92
Total Rs. ...	2,614.12	14.98	2,629.10
Executed out of Trust Fund	42.92	...	42.92
Executed out of Worn-Out Water Mains Renewal Fund	9.61	.02	9.63
Executed out of Buildings Fund	43.03	...	43.03
Total Rs. ...	2,709.68	15.00	2,724.68

The Capital Fund Balance Sheet exhibits, on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets side by expenditure incurred to date and balance of securities and cash (*vide* Appendix No. 7 of the Chief Accountant's Report.)

The expenditure of Rs. 2,629.11 out of the Loan Funds shown therein includes Rs. 70.11 on account.

of interest paid on Capital (Development Loan) and Rs. 20.75 paid as subventions to house owners. The following are the sources from which this expenditure has been financed :—

(1) Loans from Public, Government and Special Funds.—

	Rs.	Rs.
(a) Debt outstanding as per Chief Accountant's Report.	1,379.18	
(b) Loans repaid for which credit is given to Loan Redemption Fund.	1,102.14	
		2,481.32
(2) Premia on Loans		3.21
(3) Contributions from Special Funds		8.03
(4) ,, Bai Jerbai Wadia Children's Home		7.00
(5) ,, Revenue for Loan Works Establishment		.18
(6) ,, G.I.P. Railway		3.74
(7) ,, B.P.T. for Works Establishment		1.56
(8) ,, Government for Schools Buildings...		5.00
(9) ,, Development Fund		134.32
(10) ,, Government for widening the Love Grove Bridge		.92
Total Rs. ...		2,645.28
Less—Assets written off		8.56*
		Rs. 2,636.72
Expenditure upto 31st March 1945	2,629.11	
Balance (Rs. 7,61,371-2-3)	7.61	
		2,636.72

* The amount of Rs. 7.90 includes Rs. .43 and Rs. .23 written off during the year on account of plant and machinery and subventions to house-owners respectively.

11. The position of Loan Funds as estimated in the Revised Budget for 1944-45 and as revealed by the actuals was as under :—

Loan Funds.	As per Revised Estimate 1944-45.	As per Actuals 1944-45.
	Rs.	Rs.
Opening Balance on 1st April 1944	9.27	9.27
Balance of Loan for 1943-44 New loan raised in 1944-45	32.00	15.00
Advance from Special Funds for purchase of plant and machinery.	4.79	1.28
Total ...	46.06	25.55
Less—Repayment of advance from Land Sales Reserve Fund	2.50	2.29
Expenditure.	44.33	15.65
	46.83	17.94
Deficit—	—.77	
Surplus+		+7.61

Trust Fund Balance.

The balance in the Trust Fund, namely Rs. .90 was made up of the following :—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for construction of a Primary School Building.	.60
(2) Donation from Messrs. Thakordas & Co., Solicitors on behalf of their Client Bai Kailasgoveri for a dispensary near Mumbadevi	.30
Total Rs. ...	.90

12. *Debt Position.*

	Outstanding debt on 1st April 1944.	Loans raised during the year.	Loans repaid during the year.	Balance on 31st March 1945.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	506.89	.....	40.09	466.80(a)
(2) Public Loans ...	839.31	15.00	.04	854.27
(3) Internal advances from Special Funds.	60.67	1.28	3.84	58.11
Total ...	1,406.87	16.28	43.97	1,379.18.

(a) Includes Rs. 7.58 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 16.28. Of this Rs. 15.00 were raised by issue of debentures reserved for the investments of the Sinking and Special Funds and Rs. 1.28 were taken as advance from the Municipal Special Funds. Amount repaid during the year was Rs. 43.97. Of this Rs. 40.09 were repaid from the current Revenue as annual equated instalments in respect of advances taken from Government; Rs. 3.84 were repaid in respect of advances from Municipal Special Funds—(Rs. 1.55 from Revenue and Rs. 2.29 from Capital receipts) and Rs. 0.04 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 27.69.

13. The following are the figures of outstanding debt, accumulations of Sinking Fund there against and the debt charges paid out of revenue for the last five years.

Year.	Debt Outstanding.	Sinking Fund accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1940-41 ...	1,557.20	337.43	1,219.77	124.94
1941-42 ...	1,549.83	369.77	1,180.06	126.84
1942-43 ...	1,460.73	326.11	1,134.62	125.66
1943-44 ...	1,406.87	332.84	1,074.03	124.58
1944-45 ...	1,379.18	365.29	1,013.89	124.89

14. *Position of Sinking Fund.*

Balance on 1st April 1944.	Instalments paid during the year.	Interest earned on securities.	*Less*— Amount utlised for repayment of loans.	Balance at Book value of securities on 31st March 1945.
Rs.	Rs.	Rs.	Rs.	Rs.
332.84	18.58	13.91	0.04	365.29

At the Book Value of Securities, the Fund stood at Rs. 365.29 valuing the Government and other public securities at market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 388.99. Adding to this the accrued proportions of interest (not due) on the securities held in the fund as on 31st March 1945 amounting to Rs. 3.66 the total amount comes to Rs. 392.65. Against this the amount of the theoretical valuation of the fund was Rs. 368.25.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory.*—The nominal budget deficit of Rs. 6.34 turned into a surplus of Rs. 2.48 on the actual closing of the accounts for the year. The collections of Revenue and realisations of interest on the invested balance were better by Rs. 6.60 than those budgeted for. The actual expenditure was also less by Rs. 2.21 than that budgeted for. Thus the actual working of the year resulted in improvement of the Revenue position by Rs. 8.81 when compared with that of the Budget and the excess of receipts over expenditure was Rs. 2.48 transferred to Capital Account. The liabilities outstanding in respect of the Renewed Grants were Rs. 5.10.

2. *Summary of Revenue transaction for the year.*

	Actuals for 1943-44.	Budget 1944-45.	Revised 1944-45.	Actuals 1944-45.
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts ...	95.45	95.40	99.63	102.00
Expenditure ...	97.95	101.74	104.73	99.52
Surplus + / Deficit — ...	—2.50	—6.34	—5.10	+2.48

3. The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous year :—

Head.	Budget. 1944-45.	Actuals. 1944-45.	Increase or decrease over Budget (+) (—) 1944-45.	Actuals. 1943-45.	Increase or decrease in actuals for 1944-45 as compared with those for 1943-44. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties ...	55.11	60.05	+4.94	54.75	+5.30
(2) Contribution from the Corporation under Section 125 (2) of the Municipal Act.	26.19	27.27	1.08	26.27	1.00
(3) Receipts on account of tobacco duty ...	10.00	10.0	...	10.00	...
(4) Interest and profits on investments ...	3.75	4.40	+00.65	4.03	+0.37
(5) Miscellaneous Receipts ...	.35	.28	—.07	.40	—0.12
Total ...	95.40	102.00	+6.60	95.45	+6.55

4. The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year :—

Head.	Final sanctioned grants. 1944-45.	Actuals. 1944-45.	Increase or decrease over final sanctioned grants. 1944-45.	Actuals. 1943-44.	Increase or decrease in actuals for 1944-45 as compared with those for 1943-44. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
A.—Maintenance of Properties and Streets ...	28.07	21.39	—6.68	18.46	+2.93
B.—Cost of Management and Establishment ...	10.65	9.79	—0.86	8.96	+.83
C.—Proportionate charges on account of Municipal Supervision ...	1.17	.90	—0.27	0.88	+.02
Total B and C ...	11.82	0.69	—1.13	9.84	+.85
Deduct—Charged to Capital account and General account ...	11.82	10.69	—1.13	9.84	+.85
	...	...	...	...	...
D.—Debt Charges ...	79.56	78.14	—1.42	79.49	—1.35
Total ...	107.63	99.53	—8.10	97.95	+1.58

The final sanctioned grants were Rs. 107.63 comprising of :—

			Rs.
Original Budget Grant	... ...		101.74
Renewed Grants	... ...		3.65
Additional Grants	... ...		2.24
Transfers—			
Additions	... ...	.49	
Deductions	... ...	.49	...
			Rs. 107.63

Against the final sanctioned grant of Rs. 107.63, the expenditure incurred was Rs. 99.53 leaving balance of Rs. 8.10, out of which a sum of Rs. 5.10 is required to be renewed for expenditure during 1944-45.

5. Comparative statement showing the financial position of the last five years is given hereunder :—

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1940-41 ...	98.07	101.95	.....	3.88
1941-42 ...	103.55	97.68	5.87	.....
1942-43 ...	87.28	103.48	.....	16.20
1943-44 ...	95.45	97.95	.....	2.50
1944-45 ...	102.00	99.52	2.48	.....

6. Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department :—

	Demand including arrears.	Recoveries including adjustments.	Write off	Arrears at the close of the year.	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Permanent ...	36.50	32.97	...	3.53	9.66
2. Temporary ...	33.34	26.52	.48	*6.34	19.02

* This inludes Rs. 4,08,262-7-2 due from Government of India.

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements).

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1944-45.	Revised Estimate 1944-45.	Actuals 1944-45.	Difference between 3 and 4. More (+) or Less (—).
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes ...	12.25	11.04	2.98	—8.06
(2) Miscellaneous ...	1.00	1.00	...	—1.00
(3) Discount and other charges on Loans ...	...	...	...	...
(4) Cost of management, etc. ...	1.78	1.78	1.25	—0.53
(5) Repayment of Loans ...	22.94	22.94	21.84	—1.10
(6) Revenue Deficit ...	6.34	4.80	...	—4.80
Total ...	44.31	41.56	26.07	—15.49

REMARKS.—The actuals fell short of the revised estimates by 34.84 per cent.

8. Progressive Capital outlay not charged to Revenue upto the end of 1944-45.

Service Head.	Expenditure upto 1943-44.	Expenditure during 1944-45.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes ...	1,771.59	4.23	1,775.82
Police Accommodation Schemes ...	91.85	...	91.85
Mill Company's Chawl Schemes ...	9.46	...	9.46
Miscellaneous ...	8.63	...	8.63
Discount on Loans and Expenses ...	14.65	...	14.65
Total ...	1,896.18	4.23	1,900.41*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule 'W' and 'X'.

The expenditure of Rs. 1,900.41 and the net revenue deficits amounting to Rs. 193.12 total Rs. 2,093.53 has been financed from the following sources :—

1. Loans from Public and Government :—		Rs.	Rs.
(a) Debt outstanding as on 31st March 1945. ...		1,583.66	
(b) Loans repaid for which credit is given to Loans Redemption Fund		55.88	
			1,639.54
2. Extraordinary receipts transferred from S. F. accumulations ...			25.08
3. Special Grants from Government of India ...			54.00
4. Premia on Loan (1936-37) ...			.30
5. Sale proceeds of Land and Buildings ...			505.21
			2,224.13
Less—			
Expenditure on Schemes and revenue deficits	1,900.41		
Revenue deficits	193.12		
		2,093.53	
Balance in Cash and Securities		130.60	
			2,224.13

9. The state of Capital Account was as under :—			
Balance on 1st April 1944. ...			118.08
Receipts, from sale of land. ...			36.11
Surplus of General Account ...			2.48
			156.67
Less—			
Expenditure on Improvement Schemes Account ...		4.23	
Repayment of loan ...		21.84	
Deficits in General Account ...			26.07
Balance on 31st March 1945. ...			130.60

10. *Debt Position.*

	Outstanding debt on 1st April 1944.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1945.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	853.87	...	5.25	848.62*
(2) Public Loans ...	758.94	...	23.90	735.04
Total ...	1,612.81	...	29.15	1,583.66

*Out of Rs. 848.62 outstanding Government Loans, Debentures of the face value of Rs. 262.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 5.25 was repaid to Government in respect of advances taken from them out of the Current Revenue and Rs. 23.90 to the public in respect of the loan of 1929 (from the Sinking Fund Rs. 2.06 and from the Capital fund Rs. 21.84).

11. The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years :—

Year.	Debt Outstanding.	Sinking Fund Accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1940-41 ...	1,637.54	275.05	1,362.49	80.27
1941-42 ...	1,632.79	293.47	1,339.32	79.95
1942-43 ...	1,617.89	310.39	1,307.50	79.62
1943-44	1,612.81	330.20	1,282.61	79.48
1944-45 ...	1,583.66	348.66	1,235.00	78.13

12. *Position of Sinking Fund.*

Balance on 1st April 1944.	Instalments paid during the year.	Interest earned on Securities.	*Less*— Amount utilised for repayment of Loans.	Balance at book value of Securities on 31st March 1945.
Rs.	Rs.	Rs.	Rs.	Rs.
330.20	5.76	14.76	2.06	348.66

At the book value of securities, the Fund stood at Rs. 348.66. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Debentures at par, the accumulations in the Fund work out to Rs. 352.10. Adding to this accrued proportions of interest (not due) on the securities held in the Fund as on 31st March 1945 amounting to Rs. 1.28 the total amount comes to Rs. 353.38. Against this the theoretical valuation of the Fund was Rs. 301.48.

13. *Statement showing balances in Cash and Securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities. Face value.	Securities. Book value.	Total.
	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.
I.—Municipal Accounts (Proper).				
(1) Revenue account (including balances of deposits and suspense heads).	1,43,62,723 0 1	89,39,000	88,95,985 1 3*	2,32,58,708 1 4
(2) Special Funds Accounts ...	25,31,642 3 9	3,19,90,100	2,99,86,810 6 3	3,25,18,452 10 0
(3) Capital Account—				
(a) Loan Fund ... Rs. 7,61,371 2 3				
(b) Trust Fund ... 89,653 12 4	7,00,422 6 7	1,51,900	1,50,602 8 0	8,51,024 14 7
(c) Sinking Fund (Municipal) ...	240 5 4	3,78,24,800	3,65,28,686 13 2	3,65,28,927 2 6
II.—Improvement Schemes Account.				
(1) Capital Account ...	69,54,509 15 8	61,05,800	61,05,800 0 0	1,30,60,309 15 8
(2) Sinking Fund Account ...	172 8 2	3,38,53,200	3,48,65,631 12 0	3,48,65,804 4 2
Total ...	2,45,49,710 7 7	11,88,64,800	11,65,33,516 8 8	14,10,83,227 0 3

* This includes a sum of Rs. 15,368-1-0 invested out of the Surplus Cash Balance in G. P. Notes of the face value of Rs. 16,800 on Lessee's account the securities for which are included in the Contractor's securities account with the Bank.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1945.*

		Rs.	a.	p.
(*a*) Cash in Office Treasury.	...	2,91,852	14	5
(*b*) Securities in Office Treasury	...	5,95,200	0	0
Total (*a*) and (*b*) Rs.	...	8,87,052	14	5
(*c*) Balance as per Pass Book.	...	53,74,386	7	1
Add—Cheques paid into the Bank on 31st March 1945 to be realised on 1st April 1945	...	6,91,045	13	10
Rs.	...	60,65,432	4	11
Deduct—Amount of cheques delivered but not presented for payment	...	2,20,115	7	4
Total (*c*) Rs.		58,45,316	13	7
Grand total (*a*), (*b*) and (*c*) Rs.	...	67,32,369	12	0

15. The amounts of Cash and Securities belonging to different Municipal and Improvements Accounts were as under :—

(1). *Cash.*

(A) In the Current Accounts, Interest Accounts and Fixed Deposits with the following Banks :—

Name of Bank.	Current accounts and interest accounts.	Fixed deposits.	Total.
(1) The Imperial Bank of India—	Rs. a. p.	Rs.	Rs. a. p.
(*a*) General Fund Account (*See* Bank Pass Book Reconciliation) ...	58,45,316 13 7	...	58,45,316 13 7
(*b*) Interest Warrants Payable Accounts— (*i*) Municipal Loans ...	28,162 3 2	...	28,162 3 2
(*ii*) Improvement Schemes Loans ...	8,443 3 4	...	8,443 3 4
(*c*) Current Deposit Account in respect of Sinking, Special, Surplus and Loans Funds.	4,486 13 1	...	4,486 13 1
(2) Hongkong and Shanghai Banking Corporation. (Interest on B.I. Trust Loan Payable Account).	4,368 15 4	...	4,368 15 4
(3) The Chartered Bank of India, Australia and China. (Interest on B.I. Trust Loans Payable Account).	13,260 0 0	...	13,260 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures.		...	...
(5) The Chartered Bank of India, Australia and China ...	2,97,968 3 3	7,00,000	9,97,968 3 3
(6) The National Bank of India ...	95,307 10 3	18,00,000	18,95,307 10 3
(7) Lloyd's Bank, Ltd. ...	98,863 15 4	...	98,863 15 4
(8) The Central Bank of India, Ltd. ...	7,91,662 15 1	15,00,000	22,91,662 15 1
(9) The Mercantile Bank of India, Ltd. ...	7,90,653 9 0	15,00,000	22,90,653 9 0
(10) Allahabad Bank, Ltd. ...	2,48,027 11 5	17,00,000	19,48,027 11 5
(11) Eastern Bank, Ltd. ...	5,95,734 11 9	15,00,000	20,95,734 11 9
(12) The Bank of India, Ltd. ...	97,232 15 7	43,50,000	44,47,232 15 7
(13) The Bombay Provincial Co-operative Bank, Ltd. ...	97,532 14 0	9,00,000	9,97,532 14 0
(14) Union Bank of India, Ltd. ...	2,95,521 0 0	5,00,000	7,95,521 0 0
(15) The Bank of Baroda, Ltd. ...	4,95,313 15 0	...	4,95,313 15 0
Total (A) Rs. ...	98,07,857 9 2	1,44,50,000	2,42,57,857 9 2
(B) In Office Treasury			2,91,852 14 5
Total Cash Rs. ...	98,07,857 9 2	1,44,50,000	2,45,49,710 7 7

* Statement of accounts sent by the Calcutta Office of the Imperial Bank of India shows a credit balance of Rs. 421-14-0.

(2) *Securities.*		Face value. Rs.
(*a*) In Office Treasury	...	5,95,200
(*b*) (I) With the Imperial Bank of India:—		
(*i*) Municipal Corporation of the City of Bombay Securities Account	...	7,68,54,100 £25,000
(*ii*) Municipal Corporation of the City of Bombay Securities Accounts 'A' 'B' and 'C'	...	3,88,73,600
(*iii*) Municipal Corporation of the City of Bombay	...	8,41,900
(II) With the Chartered Bank of India, Australia and China (Bombay)	...	£20,800
(III) With the Chartered Bank of India, Australia and China (London)	...	£70,000
Total as per certificates	Rs.	11,71,64,800
	£	1,15,800
(*c*) Debentures with the Government of Bombay for the amount of Rs. 17 lakhs repaid to them on 31st March 1945 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 1st May 1945)	...	17,00,000
	Rs.	11,88,64,800
	£	1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with Bank Pass Books and Banks' certificates and found in order.

(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in the safe custody of the Chief Accountant and found in order.

(c) Cash in office treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.

(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(Town Council Resolution No. 1455, dated the 6th October 1879).

A reference is invited to separate letter No.M.C.A. 966/IV, dated the 26th September 1945 addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding bills of Rates and Taxes and Riot Tax on 31st March 1945.

(4) *Account of Water-marked Paper.*

The account of Water-marked paper held in the safe custody of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,

BOMBAY *26th September 1945*

R. C. MEHTA.

Municipal Chief Auditor.

APPENDIX 'A.'

Statement of charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1944-45.

Santioning auuthorty.	No. and date of sanction.	Particulars of charges.	Amount. Rs. as. p.
Municipal Commissioner ...	T.A.O. 1106/20-9-1943 ...	Payment to Mr. Gurunath Vithal Shete on account of travelling expenses from Bhivandi to Bombay for giving evidence beforre Municipal Commissioner in connection with a case against Mr. Mandviwalla, T. D. Inspector, for importing rice bags without paying Town Duty thereon. ...	10 0 0
Do. ...	M.C.A. 3971/6-6-1944 ...	Legal Assisant's conveyance charges.	25 6 0
Do. ...	A. 874/5-5-1944 ...	Messrs. Mongini Ltd., Cost of Lunch, tea served at Tansa to Sub-Committee. Health Survey etc., Committee on their visit to Tansa on 26-4-1944.	80 0 0
Do. ...	E.M. 53-D./22-7-1944 ...	Expenses in connection with tour programme of the Sub-Committee of the Health Survey, etc., Committee.	71 4 0
Do. ...	B. 296/17-8-1944 ...	Expenses in connection with the visit of the Mayor of Calcutta to Tansa Lake on 18-7-1944.	36 4 0
Standing Committee ...	S.C.R. 759/6-9-1944 ...	Expenses incurred by Mr. Y. N. Kotwal, Chemist, D. P. Works in connection with a visit to31st annual session of Indian Science Congress at Delhi in January 1944.	124 2 0
Municipal Commissioner ...	Estt. 2504/1-12-1944 ...	Issue of a season ticket to Mahadu Bhagia (Water Works) from Kurla to Parel for enabling him to take treatment at K.E.M. Hospital.	2 12 0
Do. ...	S.R. 13480/14-12-1944 ...	Expenses incurred by Mr. C. B. Kulkarni, Senior Stenographer (M. S. Office) for accompanying His Worship the Mayor to Calcutta in connection with the Conference of Mayors of India and Ceylon.	129 9 0
		Moiddin Kazi, Jamadar, (M. S. Office) for the same as above.	44 1 0
Do. ...	A. 2097-S.R./21-12-44 ...	Charges of buses engaged for the tour programme of the Health Survey Committee on 24-4-1944, and 10-5-1944.	44 5 0
Corporation ...	C.R. No. 466/26-8-1943 ...	N. V. Modak, Esqr., First Class single fare between Bombay and Hydrabad (Decacn) and back.	125 6 0
Municipal Commissioner ...	S.P.M. 415/14-12-1944 ... and SR. 874./18-12-1944 ...	Expenses incurred by Mr. Y. N. Kotwal (Chemist), Dadar Purification works for attending the 32nd Annual Session of the Indian Science Conference held at Nagpur in January 1945.	68 2 0
		Total ...	761 3 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1944-45.
(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-keeper.			
	Opening Balance.	Receipts.	Total.	Issues.	Closing Balance.	Opening Balance.	Receipts.	Issues.	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
General Stores ...	7,41,827 14 4	13,27,675 2 6	20,69,503 0 10	11,28,468 11 9	9,41,034 5 1	6,76,820 10 4	13,52,432 12 6	13,32,306 5 11	6,96,947 0 11
General Stores, Surplus Obsolete	...	...	...	...	...	...	...	...	...
Line Suspense Account ...	93,093 1 10	3,660 15 0	96,754 0 10	10,087 15 0	86,666 1 10	93,059 7 10	2,294 7 0	8,721 7 0	86,632 7 10
Line Suspense Account Surplus and Obsolete ...	...	...	...	...	...	...	...	...	...
Capital Stores ...	2,48,315 11 3	4,64,713 15 0	7,13,029 10 3	4,61,204 8 0	2,51,825 2 3	2,36,609 7 3	4,66,922 11 0	4,87,561 15 0	2,15,964 3 3
Total Rs....	10,83,236 11 5	17,96,050 0 6	28,79,286 11 11	15,99,761 2 9	12,79,525 9 2	10,06,489 9 5	18,21,649 14 6	18,28,589 11 11	9,99,543 12 0(a)
						Balance as per column 6 ...			12,79,525 9 2
						Difference (b) ...			2,79,981 13 2

(a) The difference of Rs. 12,10 between the balance of the Advances Stores Account Stock of the Accounts Current and the Balance Sheet is provisionally transferred by debit to the rate Adjustment Account as per Clause XXIX of the Stores Audit Manual.

(b) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 2,85,585-6-2 against the grants of the different departments counterbalanced by a sum of Rs. 5,603-9-0 which was not taken on the Stock account in the Chief Accountant's Office.

Remarks.—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE II.

Report on the Schools Committee's Accounts.

(*Note.*—The figures in this report are in lakhs of Rupees unless otherwise expressly stated.)

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee including renewed and additional grants aggregated to Rs. 55.37. Against this the actual contribution paid to the Schools Committee amounted to Rs. 52.71. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this a sum of Rs. 1,58,396-3-4 being the amount of unspent balance of contribution drawn by the Schools Committee for 1944-45 was held by the Schools Committee as on 31st March 1945. The sum of Rs. 1,58,396-3-4 is treated as an advance to the Schools Committee in the accounts of the Municipal General Fund for 1944-45.

2. Summary of receipts and payments for the year:—

Particulars.	Actuals 1943-44	Budget 1944-45	Revised Budget 1944-45	Actuals. 1944-45
	Rs.	Rs.	Rs.	Rs.
1. Receipts (inclusive of opening balance) ...	47.00	51.81	53.02	53.30
2. Payments	46.80	51.61	52.82	53.10
3. Balance	.20	.20	.20	.20
4. Minimum Cash Balance.	.20	.20	.20	.20

Lapsed Grants:—The amount of lapsed grants estimated to be renewed during the year 1945-46 aggregated to Rs. 1.74. The amount of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt Charges, New Works, Medical Inspection of School Children, supply of milk to under nourished needy children attending Municipal Schools etc., amounted to Rs. 3.63, which when added to the sum of Rs. 53.10 brings the total expenditure on Primary Education of the City to Rs. 56.73.

3. The following is a summary of receipts under different heads:—

	Rs.
Contribution from Municipal General Fund	52.71
Fees from Municipal Schools	.28
Interest on Endowment and Trust Funds	.06
Miscellaneous Receipts	.05
Total Rs.	53.10

4. The following statement gives transactions of the Schools Committee's accounts for the last five years:—

Year	Receipts including opening balance	Expenditure	Closing Balance.
	Rs.	Rs.	Rs.
1940-41	40.43	40.23	.20
1941-42	41.25	41.05	.20
1942-43	42.04	41.84	.20
1943-44	47.00	46.80	.20
1944-45	53.30	53.10	.20

5. The total assets and liabilities of the School Fund on 31st March 1945 as shown in the Balance Sheet were as under:—

Assets.			Rs. a. p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of the face value of Rs. 2,11,100 ...			2,10,856 14 0
2. Advances and deposits recoverable—			
(*a*) Advances to Officers	...	499 0 0	
(*b*) Advances to Teachers	...	2,798 12 0	
(*c*) Deposit with the Garrison Engineer for water charges	...	5 0 0	3,302 12 0
3. Cash Balances—			
(*a*) With the Imperial Bank of India		2,24,663 15 3	
(*b*) In Office Treasury		1,436 2 0	2,26,100 1 3
Total ... Rs.			4,40,259 11 3

Liabilities.

			Rs. a. p.
1. Advance from the Chief Accountant on account of the unspent balance of Municipal contribution held in the School Fund			1,58,396 3 4
2. Sundry Deposits—			
(*a*) Unclaimed wages for Schools and Office	...	16,348 4 3	
(*b*) Miscellaneous Deposits	...	15,616 13 3	
(*c*) Unclaimed Rent	...	2,973 4 0	
(*d*) From Contractors	...	581 0 0	
(*e*) Schools Committee's Employees' Co-operative Credit Society	...	1,947 11 0	
(*f*) Income Tax recoveries	...	29 5 0	
(*g*) Court Attachment recoveries	...	60 4 0	
(*h*) Rent recoveries at the instance of the Health Department	...	40 0 0	37,596 9 6
3. Trust, Scholarship and Prize Funds—			
(*a*) Investments of the face value of Rs. 2,11,100.	...	2,10,856 14 0	
(*b*) Cash	...	13,410 0 5	2,24,266 14 5
4. Statutory Balance	...		20,000 0 0
		Total ... Rs.	4,40,259 11 3

The cash balance with the Schools Committee on 31st March 1945 on account of the Municipal contribution drawn in excess during the year was Rs. 1,58,396-3-4 in addition to the statutory cash balance of Rs. 20,000. It is not intended to allow such large amounts to remain in the School Fund account. It is not difficult to make an account of the approximate cash balance left with the Schools Committee in the last week of the year and hand over back the excess to the Chief Accountant on 31st March of the year. The Secretary Schools Committee and the Chief Accountant should see that such an account is made up in future and the excess is recouped to the Municipal Fund on the last day of each year.

6. *Donations.*—Securities for Rs. 15,000 in addition to Rs. 2,400 included in the balance sheet pertaining to Jairajbhai Peerbhai Girls' School Trust Fund were held by the Reserve Bank of India. The Schools Committee did not hold any safe custody receipt for the amount. However as a result of the correspondence between the Government and the Schools Committee (*vide* Corporation Resolution No. 820, dated the 3rd December 1942), the securities have since been received by the Secretary, Schools Committee from the Reserve Bank of India.

7. *Provident Fund.*—The net liability on account of Provident Fund as shown by the individual accounts of the subscribers prepared by the Schools Committee's office *Viz.*, Rs. 64,88,908-5-0 agrees with the invested balances as shown in Appendix No. 6 of the Chief Accountant's report as follows :—

			Rs. a. p.
Balance on 1st April 1944 on account of Schools Committee's employees	...		59,70,103 15 0
Less—Net opening balances of accounts transferred from the Schools Committee's accounts to Municipal Accounts	...		1,063 5 0
			59,69,040 10 0
Add—(1) Receipts on account of subscritions and contributions during 1944-45	...	4,99,099 8 0	
Less—Payments on account of subscription and contribution in respect of Schools Committee's employees...		1,32,791 2 0	
		3,66,308 6 0	
(2) Interest allowed on provident fund accounts of the Schools Committee's employees	2,36,590 2 0		
Less—Payments during the year	83,030 13 0		
		1,53,559 5 0	5,19,867 11 0
		Total ...	64,88,908 5 0

8. During the year a sum of Rs. 283-10-0 on account of excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, etc., covering 18 cases, was recovered from the members of the staff and the parties concerned. Various other omissions and inaccuracies were detected in the course of test-audit some of which have been got rectified and others are under correspondence. As stated in the previous audit reports more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is necessary.

9. Government grant received during the year was Rs. 9,62,303 as under :—

		Rs.
(1) Grant for 1944-45 for Primary Education	...	9,45,000
(2) Grant for paying grant-in-aid to Primary Departments of English Teaching Schools for 1944-45	...	25,280
		9,70,280
Less.—Excess grant paid by Government in 1943-44 recovered by them for Grants in aid to Primary Departments of English Teaching Schools.	...	7,977
Total	...	9,62,303

In addition to the above the Government grant for Training Institutions received by the Schools Committee's Office in the month of March 1945 and forwarded to the Chief Accountant in 1945-46 was Rs. 3,500 as follows :—

		Rs.
(1) Byculla Training Class	...	1,500
(2) Rahimtulla Currimbhoy Training Institute	...	2,000
Total	...	3,500

As pointed out in the previous audit reports estimated rent for schools located in the buildings built at Municipal cost or donated by public is not assessed and charged to the school fund and consequently it is not included in the figures of cost of Primary Education given by the Schools Committee in their statement of accounts. (*Vide* Sttnding Committee Resolution No. 640 of 15-8-45.)

10. Arrears of School fees on 31st March 1945 as certified by the Secretary, Schools Committee, were Rs. 5,320-10-0.

11. The cash balance of Rs. 1,436-2-0 was counted and found correct. The reconciled balance in the Bank as per Cash Book *viz.*, Rs. 2,24,663-15-3 was examined with the bank statements and certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1943-44 and 1944-45 and detailed audit remarks on the Schools Committee's accounts are appended hereto and marked respectively appendix 'A' and appendix 'B'.

14. Appendix 'C' gives month by month the position of the number of teachers to pupils. The figures have been supplied by the Secretary, Schools Committee.

MUNICIPAL OFFICES,

BOMBAY, *26th September 1945.*

R. C. MEHTA,

Municipal Chief Auditor.

APPENDIX 'A.'

Comparative statement showing the expenditure incurred by the Schools Committee during 1943-44 and 1944-45.

Particulars.	Expenditure.		Increase.	Decrease.
	1943-44.	1944-45.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Head Masters and Teachers ...	24,26,788 11 0	26,75,887 0 9	2,49,098 5 9	.....
Servants ...	2,05,644 8 0	2,28,287 8 0	22,643 0 0	.....
Rents ...	5,56,288 5 10	5,53,518 12 10	.....	2,769 9 0
Class Books for Teachers ...	2,127 11 3	6,459 12 5	4,332 1 2	.....
School furniture ...	5,189 4 6	2,691 12 0	.....	2,497 8 6
School Contingencies ...	31,976 4 6	31,159 5 0	.....	816 15 6
Scholarships ...	3,844 7 0	4,729 2 6	884 11 6	.....
Special Expenses in Schools ...	30,764 15 5	39,264 1 2	8,499 1 9	.....
Magazines for Schools ...	663 6 0	2,678 5 0	2,014 15 0	.....
Sewing and Drawing ...	3,850 4 8	4,860 8 7	1,010 3 11	.....
Uniforms and Umbrellas ...	86 10 0	4,304 10 9	4,218 0 9	.....
Printing and Stationery ...	18,959 12 0	20,774 4 0	1,814 8 0	.....
Miscellaneous Expenses ...	9,083 3 6	10,351 12 2	1,268 8 8	.....
Sports ...	123 2 6	524 9 0	401 6 6	.....
Local Committees ...	819 8 3	841 1 3	21 9 0	.....
Visual Instruction ...	.....	91 0 0	91 0 0	.....
Sloyd and Handicrafts ...	6,716 10 6	7,493 1 7	776 7 1	.....
Boy Scouts and Girl Guides ...	7,992 2 9	13,916 5 3	5,924 2 6	.....
Audit Establishment Charges ...	5,569 15 0	5,467 10 0	.....	102 5 0
Grain Compensation ...	5,36,006 12 0	8,38,137 3 0	3,02,130 7 0	.....
Stipends to Teachers ...	93,348 8 0	4,254 2 0	.....	89,094 6 0
Superintendents and their Establishments ...	1,16,786 13 0	1,53,335 2 3	36,548 5 3	.....
Grants-in-Aid to primary schools ...	2,12,331 0 0	2,81,975 0 0	69,644 0 0	.....
Teachers' Library ...	3,440 15 0	6,299 6 6	2,858 7 6	.....
Superintendent, Aided Schools ...	15,175 7 9	15,726 1 0	550 9 3	.....
Census Establishment ...	35,939 4 0	31,795 10 6	.....	4,143 9 6
Pensions and Gratuities ...	1,36,788 14 0	1,44,706 12 0	7,917 14 0	.....
Municipal Contribution towards Provident Fund ...	1,85,186 8 0	2,09,023 13 0	23,837 5 0	.....
Repairs to School Buildings ...	10,933 10 0	11,570 13 0	637 3 0	.....
Free Reading Rooms and Libraries ...	78 7 0	.....	.....	78 7 0
Stock Verifier's Establishment ...	441 14 0	.....	.....	441 14 0
Interest credited to Jivkore Lallubhai Scholarship Fund ...	4,477 4 8	.....	.....	4,477 4 8
Adjustment of Provident Fund discrepancies ...	12,530 11 6	.....	.....	12,530 11 6
Total Rs. ...	46,79,954 15 7	53,10,124 9 6	7,47,122 4 7	1,16,952 10 8

APPENDIX 'B'

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads :—

I.—Revenue and Receipts.

II.—Recoveries of excess or wrong payments as well as the dues left unrecovered for unduly long periods.

III.— Measures resulting in new recurring and non-recurring commitments.

IV.—Internal audit and control.

V.—Non-observance of Municipal Service Regulations.

VI.—General.

VII.—Reports sent to the Standing Committee.

I.—Revenue and Receipts.

A.—Delay in Remittances.

As reported last year, explanations of the persons concerned were called for, for delay in remitting the sale proceeds of application forms into Accounts Branch. They have not still been received inspite of repeated reminders.

M.C.A. 3661/II
19-5-1943.

B.—Sub-tenants in Arrears.

(1) The usual monthly charge on account of electricity consumed was not found recovered from the Kamathipura Telugu School for about six months. On a reference to the Secretary, Schools Committee, it was stated that the premises had been vacated and the matter was under correspondence regarding the closure of the class. The Secretary, Schools Committee, has been requested to state how the matter now stands and reply is awaited.

M.C.A. 404/II
30-12-1944.

(2) As mentioned in the last year's report it was decided under Schools Committee Resolution No. 1325 of 26-2-1944 that the case of Mr. R. B. Badekar who had run into arrears of rent should be placed in the hands of the Legal Assisant for ejectment and recovery of rent. Accordingly a suit was filed against him. Subsequently on his representation that he would abide by the terms of the sub-tenancy, the Schools Committee under their resolution No. 817 of 15-11-1944 rescinded their former resolution and the suit was withdrawn and arrears recovered.

M.C.A. 4020 II
25-11-1943

(3) As reported in the last Audit Report, Sakharam Nana Jadhav, ex-havildar of the Schools Committee's Office and ex-custodian of the Foras Road Central Marathi Boys' School was not charged rent for the occupation of the custodian's quarters at the aboeve school building after his retirement from Municipal service on 16-12-1943. The Secretary Schools Committee, was requested to recover rent for the period the premises were actually occupied and accordingly recoveries of Rs. 78-1-0 at the rate of Rs. 10 per month were made.

M.C.A. 4093 II
6-1-1944

C.—Excess Accumulations in the Funds.

As reported in the last year's report the Secretary, Schools Committee, was requested to take steps to invest the surplus accumulations in the Jivkore Lallubhai Scholarship Fund which were lying in cash in the School Fund. Needful has since been done.

M.C.A. 3736/II
30-6-1943
&
M.C.A. 23/II
12-4-1944

The sum of Rs. 4,477-8-0 received from the Corporation by way of an additional grant for being credited to the corpus of the Fund was credited to the Interest Account of the Fund. On audit reference, the same is being shown separately from the annual interest account.

D.—Government Grant-in-aid to the Training Institutions.

Two sums of Rs. 1,200 and Rs. 3,200 were received from the Governmnt as grant-in-aid to the Rahimtulla Currimbhoy Training Institute and the Byculla Training Class respectively during March 1944. Details of calculations on which the Government grant was based, were called for. From the information supplied, it was noticed that expenditure of Rs. 4,559-12-0 on account of furniture, etc., was not admitted for the purpose of grant by the Educational Inspector, Bombay Division, with a note that a special equipment grant might be claimed. However, no such claim seems to have been preferred. Reply to audit reference is awaited.

M.C.A. 354/II
13-10-1944

E.—References remaining undisposed off with the Schools Committee's Office.

The following audit references have remained undisposed off with the Schols Committee's Office inspite of several reminders.

Case No. and Date.	Subject.
(1) M.C.A. 1201/II of 28-6-1940	... Arrears of the sub-tenant Mr. S. B. Khedekar; irregularity in the payment of the instalments of the decretal amount.
(2) M.C.A. 2192/II of 12-8-1941	... Omission of rent from the accounts of the Training Istitutions—Special report made to the Standing Committee (*vide* Standing Committee Resolution Nos. 82 of 18-4-45 and 640 of 15-8-1945).
(3) M.C.A. 3275/II of 14-12-1942	... Proper submission of statements of fees showing opening arrears, current dues and outstanding.
(4) M.C.A. 4127/II of 19-1-1944	... Arrears of fees and discrepancies in the fees register.

II Statement of recoverirs of excess or wrong payments and dues left unrecovered for unduly long periods.

The following cases of excess or wrong payments were noticed and recovered :—

Serial No.	Case No. and Date.	Name.	Particulars.	Amount.
				Rs. a. p.
1	M.C.A. 187/II of 3-7-1944 ...	Mr. M. P. Shah, Superintendent.	Excess payment on account of dearness allowance from 21-2-1944 to 14-5-1944.	44 11 0
2	M.C.A. 180/II of 27-6-1944 ...	Sakharam Pandu, Gardner ..	Excess payment of house rent paid at Rs. 2 per month instead of at Rs. 1 per month for February 1944.	1 0 0
3	M.C.A. 188/II of 3-7-1944 ...	Mr. Husain Kamal, Zakaria Bunder Urdu Boys' School.	Excess payment of leave salary for 17th and 18th February 1944.	3 11 0
4	M.C.A. 376/II of 30-10-1944 ...	Mr. Brijpal Singh, Head Master, Matunga Hindi School.	Head Master's allowance paid from 1-6-1944 instead of from 5-6-1944.	0 11 0
5	M.C.A. 376/II of 30-10-1944 ...	Mr. Sabal Singh, Head Master, Mazagaon Hindi School.	Do. do. ...	0 11 0
6	M.C.A. 378/II of 30-10-1944 ...	Mr. Ram Ujagir Singh, Head Master Lower Parel Hindi School.	Increment paid from a date earlier than due.	0 12 0
7	M.C.A. 422/II of 16-11-1944 ...	Bai Kamlabai Bhalabhai Dave, Mandvi Gujarati Girls' School.	Short recovery in respect of dearness allowance.	1 0 0
8	M.C.A. 345/II of 13-10-1944 ...	Mr. Laxminarain Dixit, Incharge Head Master, Sion Hindi School	In-charge Head Master's allowance paid for the days the Head Master was on duty.	0 5 0
9	M.C.A. 372/II of 28-10-1944 ...	Mr. Banshraj Singh, Ag. Head Master, Shivdi Hindi School.	Leave salary paid at full rate as also the Head Master's allowance for the days he was on leave on half-average pay.	1 4 0
10	M.C.A. 442/II of 22-11-1944 ...	Head Mistress, Matunga Station Road Marathi Girls' School.	Excess payment due to error in calculation. Voucher No. 1094 of 21-8-1944.	2 0 0
11	M.C.A. 207/II of 13-7-1944 ...	Nabiulla Jumai ...	Paid at full rate for the period from 24-1-44 to 29-1-44 when he was on leave without pay.	9 14 0
12	M.C.A. 507/II of 4-1-1945 ...	Shrimad Goswami Shri Gokul Nathji Maharaj.	Short recovery of electric charges.	0 4 0
13	M.C.A. 156/II of 15-6-1944 ..	Sakharam Nana Jadhav, Havildar, Schools Committee's Office.	Leave on average pay granted in excess of 4 months at a time in contravention of the Municipal Service Regulations.	17 2 0
14	M.C.A. 162/II of 16-6-1944 ...	Mahomed Yahya Mumtazhusain, Head Master, Mominpura Urdu Boys' School.	Do. do. ...	134 15 0
15	M.C.A. 405/II of 4-11-1944 ...	Azizabi Hasankhan, Lady teacher, Worli Urdu Girls'School.	Increment allowed to be drawn while in the Training College from June to September 1944, at Re. 1 per month against the prevailing practice.	4 0 0
16	M.C.A. 438/II of 21-11-1944 ...	Mrs. Arulamal Naidu, Assisantat, Matunga Tamil School.	Excess payment on account of wrong adjustment of salary from 1-7-1943 to 31-10-1944 at Rs. 2 per month.	32 0 0
17	M.C.A. 438/II of 21-11-1944 ...	Mr. Subbavadhanullu Head Master. Kamathipura Telgu School.	Excess payment on account of wrong adjustment of salary from 1-7-1943 to 2-7-1944 and 1-9-1944 to 30-9-1944 at Rs. 2 per month.	25 6 0
18	M.C.A. 585/II of 21-2-1945 ...	Head Mistress, Imamwada Lower Primary Urdu Girls' School.	Payment of monthly contingency in excess of the sanctioned scale for 4 months from November 1944 to February 1945.	4 0 0
			Total Rs. ...	283 10 0

III.—Measures resulting in new recurring and non-recurring commitments.

(1) The Census Department which was working uptil now without any clerk, was given a Head Clerk by creating a new post in that Department and a man working as Head Clerk in Marathi Section of the Office was transferred thereto. The nature of work in this section seems to be purely clerical and does not justify creation of a Head Clerk's post.

M.C.A. 417/II
14-11-1944

(2) A sweeper woman employed in the Schools Committee's Department was found to have been granted maternity leave on full pay for two months and 13 days as against 6 weeks maternity leave admissible to her under Rule 108 of the Municipal Service Regulations. This being objected to in audit the excess period of leave was converted into leave without pay and the leave salary amounting to Rs. 41-4-0 was duly recovered. However, on the audit note being placed before the Schools Committee they decided to designate all the scavengers in the Schools Committee's service as sanitary peons and to allow them the benefit of leave available to the superior municipal services under the Municipal Service Regulations. There are several thousands scavengers working in the Departments under the Municipal Commissioner, some of whom are also working in the Administrative Offices and Municipal owned buildings and chawls. No benefit of leave under Municipal Service Regulations is allowed to them except 6 weeks maternity leve. Therefore, the treatment of the Schools Committee's scavengers as sanitary peons without regard to the practice followed by the Municipal Organisation as a whole is not only uneconomical and wasteful but also invidious and tending to create dissatisfaction among similar other staff.

M.C.A. 421/II
14-11-1944

(3) (*a*) Under Schools Committee Resolution No. 699 of 26-9-1944 the monthly salary of Mr. G. N. Sawant, a telephone operator of the Schools Committee's Department was increased from Rs. 56 to Rs. 62 per month by giving him two extra increments in the grade of Rs. 50-3-80, on the ground that he had put in 23 years' service and that the grades of teachers and peons had been so fixed that they could reach the maximum of their grades within a period of of 18 to 20 years.

S.C.R. No. 699
26-9-1944

It may be pointed out here that the telephone attendant joined Municipal service as a peon. About 5 years back a post of an assistant librarian on Rs. 30-1-40 was created and he was appointed to it. Again after two years a post of a telephone operator was created in the grade of Rs. 50-3-80 and Mr. Sawant was promoted to it.

(*b*) Four clerks of the Schools Committee's Department were given two extra increments in their
S.C.R. No. 225 salaries from the date of their immediately next ordinary annual increment in addition to
31-5-1944 the ordinary increments on the ground that their seniority in service and merits had been overlooked in the past when certain permanent posts of clerks were filled in.

Such individual grants of immature increments result in the incurrence of avoidable expenditure and also tend to create similar demands from others without sufficient grounds.

(4) (*a*) For the post of a clerk in the Urdu Girls' Section of the Secretary, Schools Committee's Office,
S.C.R. No. 1108 one Mrs. R. B. Bariq was selected for appointment out of certain candidates. Subsequently
7-2-1945 on being asked to join duty the lady represented that the minimum salary of the grade *viz.*, Rs. 55 was not sufficient for her maintenance in these abnormal times and that she be at least paid Rs. 80 per month as a starting salary. The Schools Committee accordingly under their Resolution No. 1108 of 7-2-1945 gave her a starting salary of Rs. 80 per month.

(*b*) In another case a lady clerk was given a starting salary of Rs. 60 on the ground that no suitable
M.C.A. 379/II lady was available *vide* Schools Committee Resolution No. 1250(B) of 2-2-1944.
30-10-1944

Such individual distinctions are likely to stir the general body of the female staff and are not desirable either from the economic or administrative point of view.

IV.—Internal Audit and Control.

(1) The following irregularities were noticed in the Morning Class Pay-sheets :—
M.C.A. 19/II
11-4-1944

(*i*) Pay bills were not signed by the Superintendent of Accounts in token of his having passed them for payment..

(*ii*) Sanction not quoted on the bills.

The Head Masters of the Morning Classes were to be paid at the rate of Rs. 15 per month on condition that the number of students in the classes goes over 100 within 1 month from the date of opening. But in the pay-bill although the Head Masters had been charged at Rs. 15 a certificate to the effect that the required condition had been fulfilled was not given.

Reply from the Secretary, Schools Committee, is awaited.

(2) Supplementary pay-bills are found passed without giving counter references in the original bills
M.C.A. 40/II as a safeguard against claims being passed second time.
26-4-1944

The Secretary, Schools Committee, has been asked to do the needful but no reply is still received.

(3) For attendances at the local committee meetings the clerical staff is allowed to draw fixed duty
M.C.A. 80/II allowance of Rs. 5 per month. Provident Fund subscription is also taken on this duty
12-5-1944 allowance. Similarly the peons are also paid annas eight per month but no subscription is recovered thereon. This apparent discrepancy being brought to the notice of the Secretary, Schools Committee, she replied that the peons were not paid the duty allowance but they were paid an allowance of annas eight per meeting. It is however, observed that the bills have been paid even during the months in which no local committee meetings were held. The Secretary, Schools Committee, has therefore, been informed that if the allowance is payable per meeting, it was a question of recovery from peons who were paid the allowance during the months in which there were no meetings.

Reply is not yet received.

(4) Under Rule No. 6 of the rules for grant of Schools Comimttee's Scholarships no scholarship is to
M.C.A. 85/II be granted to a pupil receiving scholarship from Government. However, under Schools
13-5-1944 Committee Resolution No. 1208 of 2-2-1944 scholarships were sanctioned to two scholars receiving Government Scholarships and their scholarship bills were passed for payment. On audit advice instructions have been issued to prevent this irregularity.

(5) Under Rule No. 12 of the Rules for grant of Schools Committee's Scholarships, no scholarship
M.C.A. 91/II is to be paid to a pupil who leaves the school and does not rejoin another Municipal School.
13-5-1944 However, under voucher No. 2944 of 22-3-1944 a claim for scholarship had been passed in favour of a student for the period from November 1943 to February 1944, although the student had left the school in November 1943 and there was no certificate of his having rejoined another Municipal School. On an audit reference the claim for Rs. 18 was cancelled.

(6) Receipt for an amount of Rs. 84-9-0 for the sale of unserviceable records by the Special Attendance
M.C.A. 103/II Officer, was given on a form other than the usual printed receipt form. This was objected
17-5-944 to in audit and the Secretary, Schools Committee, was asked to issue a circular to all the Officers under the Schools Committee, to avoid recurrence of the mistake. No reply is received from the Secretary, Schools Committee, inspite of a reminder.

(7) Several discrepancies were noticed in the accounts of the Handicrafts exhibition held in the *month*
M.C.A. 114/II of October 1943. Some of them are given below :—
23-5-1944

(1) Duplicates of certain receipts were not signed.

(2) Remittance of money received for sale of exhibits in one case was delayed by about two months. In other cases it was not possible to know whether the collections were remitted to office in time as the account of the receipts was not prepared according to dates.

(3) No account of receipt books was maintained. Five blank receipt books pertaining to the exhibition held in 1935 and one pertaining to 1942 were found used in the exhibition for 1943.

(4) Alterations made in the prices fixed by the Secretary, Schools Committee, were unattested. Certain articles were found sold at prices less than those fixed by the Secretary, Schools Committee.

(5) Record of the articles returned to the Schools was not properly maintained.

(6) 147 articles worth Rs. 50-15-0 reported to have been lost in the exhibition were written off without the sanction of the Schools Committee.

No reply to audit note is received.

(8) Certain standing advances have been given to the officers of the Schools Committee for contingent expenses. The Secretary, Schools Committee, was requested to send a list of officers who were delegated powers to sanction such expenditure and the extent to which they were so empowered. She replied that the amounts of the standing advances are as a matter of convention to be spent by the officers and that there were no specific delegations.

M.C.A. 124/II
30-5-1944

In this connection audit suggested that a system of central purchases and periodical distribution of articles usually required by the schools be better introduced in the interet of economy and prevention of waste. The matter is under consideration of the Schools Committee.

(9) A sum of Rs. 756-8-0 was spent without inviting competetive rates. Sanction to rates and quantities was also not obtained and the payment was not made direct to the firm but to the Head Masters.

M.C.A. 138 II
16-6-1944

Several articles like colour boxes and bruches, pencils and rubbers were purchased for student teachers Audit raised a question whether such articles were to be supplied to the student teachers by the Municipality and enquired about the practice obtaining in Government Departments. No reply is received inspite of a reminder although more than a year has elapsed since the audit note was sent.

(10) The payment of a bill of Rs. 500-13-0 for sewing articles was delayed by nearly ten and a half months. Sanction to rates and quantities was not obtained and there were differences in the amounts paid in respect of 4 items.

M.C.A. 139/II
6-6-1944

No reply is received inspite of a reminder.

(11) Quotations were not invited, written orders were not placed, and report to the Schools Committee was not made for purchase of books worth Rs. 150 for the Teachers' Library under 2 vouchers. No reply is received inspite of a reminder.

M.C.A 157/II
15-6-1944

(12) Schools Committee under their Resolution No. 999B, of 1-12-1943 sanctioned an estimate of Rs. 250 for expenditure on the prize distribution ceremony of the Annual Sports. Several items of the expenditure incurred however, exceeded the sum of Rs. 20 which the Secretary Schools Committee is competent to spend. In such cases a report to the Schools Committee is necessary. The Secretary, Schools Committee, seems to be under the impression that sanction to an estimate or allotment of funds for a particular purpose made by the Schools Committee is equivalent to a sanction for making purchases. It may be observed that the allotment of funds in itself does not give any powers to the Secretary, Schools Committee, to make purchases fors ums exceeding Rs. 20 on individual items without further sanction of the Schools Committee. The attention of the Secretary, Schools Committee, has been called to this requirement on several occasions in the past.

M.C.A. 159/II
15-6-1944

(13) Five books on Physical Culture (Urdu) were given to the Training Class for temporary use in 1940-41. The Training Class has since been closed but the books have neither been returned nor paid for. The Secretary, Schools Committee, has been written to in the matter. No reply is yet received inspite of a reminder.

M.C.A. 171/II
21-6-1944

(14) The monthly contingency of the Girgaum Central Marathi Boys' School, has been fixed at Rs. 15-12-0 from 1-3-1944. However, for the months of March, April, June and July 1944 the Head Master preferred bills at Rs. 19-4-0 each as actual expenses which were paid through oversight. Attention of the Secretary, Schools Committee being drawn to this by Audit sanction of the Schools Committee was obtained to these excess payments as a special case. Granting that it was a case of error as to the sanctioned limit of the contingency it pasess no understanding how the actual expenditure incurred by the Hea d Master came to exactly Rs. 19-4-0 and not a pie less nor more for four successive months till the attention was drawn to the excess over the sanctioned limit.

M.C.A. 208/II
13-7-1944

(15) The following discrepancies were noticed in the bills for out of pocket expenses and camping allowances of the Scout Department for 1943-44 :—

M.C.A. 209/II
13-7-1944

(*a*) The bills were not signed by the Superintendent of Accounts for his having passed them.

(*b*) The usual certificates that the claim was not previously passed for payment and that the persons charged were entitled to draw the allowances were not given by the Head of the Department.

(*c*) The camping allowances were paid at different rates but no sanction of the Schools Committe, to the rates of camping allowance was found obtained. The Secretary, Schools Committee, wss, therefore requested to quote authority or sancton. No reply is received inspite of a reminder.

(16) Following is the list of typical errors found in the pay-sheets of the Gujarati Training Class for May 1944 :—

M.C.A. 277/II
31-8-1944

(1) No absentee statement was attached to the paysheet.

(2) A teacher's salary was debited to Gujarati Training Class instead of to Hindi Training Class.

(3) A Sewing Mistress was shown as absent from 14-6-1943 in the paysheet without any remarks.

(4) An acting peon was relieved from 27-4-1944 but the vacant post was not shown in the paysheet of May 1944.

(5) The Training Class was abolished from 1-6-1944, but necessary remarks were not made in the paysheet.

(17) The reconciliation of Bank Balance at the Imperial Bank of India, Head Office Account was not made from 5th August 1944 to 13th October 1944. The same, however, was got done subsequently at the instance of audit.

M.C.A. 355/II
13-10-1944
&
M.C.A. 285/II
1-9-1944

The reconciliation of the Bank Balance at the Imperial Bank of India, Sandhurst Road Branch, when examined on 31-8-1944, was found to be completed upto 15-8-1944 only. As this work was often found not attended to regularly an audit reference was made and the Secretary, Schools Committee, has agreed to make arrangements to submit the reconciliation for audit on every third day.

(18) Schools Committee under their Resolution No. 938 of 30-11-1942 adopted the procedure of crediting
M.C.A. 287/II — receipts on account of lost books of the teachers library to Miscellaneous Deposits instead
2-9-1944 — of to the School Fund, for replacing the books. This however, does not do away with the usual requirement of obataining the Schools Committee's sanction to expenditure above Rs. 20 but no such sanctions are obtained. For example the Schools Committee's Office did not report the purchase of books worth Rs. 78-3-0 under Voucher No. 479 of 20-6-1944. The Secretary, Schools Committee, was requested to obtain sanctions but nothing has been done.

The Secretary, Schools Committee, was also requested to furnish audit with a list of lost books in respect of which deposits as on 31-3-1944 were outstanding and to clear the deposit account either by purchase of books or by transferring to revenue, excess if any. Reply is awaited.

(19) An advance of Rs. 200 was paid to the Assistant Organising Commissioner for Boy Scouts for
M.C.A. 371/II — Patrol Leaders' week end training camp. Out of this a sum of Rs. 120 was spent by him
28-10-1944 — but the dates on which the camps were held and the certificates from responsible persons regarding the actual incurrence of expenditure on conveyance, meals, tea, etc., were not furnished. The Secretary, Schools Committee, has been asked to send relevant registers and records. No reply is received inspite of a reminder.

(20) The Schools Committee spends about Rs. 35,000 each year for contingent expenses required
M.C.A. 373/II — for Schools. The Head Masters are given standing advances out of which they make
28-10-1944 — their own purchases direct from the market. The articles purchased are such as could be had either from the Controller of Stores or from the Stationery Contractors. The Secretary, Schools Committee, was informed that these articles could be purchased centrally by theSchools Committee's Office and distributed periodically according to the quota fixed. The Secretary, Schools Committee, was further informed that this system would prove most economical to the Department.

The question is under the consideration of the Schools Committee.

(21) Each year the Schools Committee approves of the allocation of budget of the Scout Department
M.C.A. 374/II — and authorises the District Commissioner of Boys Scout to incur expenditure in consulta-
28-10-1944 — tion with the Secretary, Schools Committee, and is given the required advances from the School Fund to incur the expenditure.

Sanction of the Schools Committee is however, not obtained to the incurrence of expenditure. The Secretary, Schools Committee, has been informed that mere approval of the budget grant could not be accepted as sanction to the incurrenc e of expenditure. During the year 1943-44 the Budget grant provided for the Scout Department was Rs. 10,281 (including a renewed grant of Rs. 996) and Rs. 7,268 (including Rs. 3 renewed grant) for the Girl Scout Department. Advances of Rs. 1,250 were given to the Assisant Organising Commissioner Boy Scouts and Rs. 500 to the District Commissioner Girl Scouts, out of which Rs. 1.022-5-6 and Rs. 396-14-9 were spent by them to which sanction of the Schools Committee was not obtained. Sanction of the Schools Committee was also not obained to a further expenditure of Rs. 597-8-0 for Scout Uniforms. The Secretary, Schools Committee, has been requested to do the beedful. No reply is received inspite of a reminder.

(22) The accounts of the Painting Class were examined on 1-9-1944.

M.C.A. 3996/II — The following irregularities were noticed :—
5-11-1943
&
M.C.A. 380/II
30-10-1944

(1) The cash book was not written up from July 1943 to August 1944.

(2) The accounts of the Painting Class were not found checked by the Schools Committee's Office since December 1939.

(3) For painting school boards, it appears that the Schools Committee set a maximum limit of cost at Rs. 3 per board as a measure of control, but it is observed that the Painting Class Teacher has been rendering an account showing cost at exactly Rs. 3 per board. It is also noticed that irrespective of the prices of materials prior to war and during war the cost of painting the boards came to Rs.3 and not a pie less nor more. Attention of the Secretary, Schools Committee, has been drawn to this and she has been requested to see whether the materials could not be purchased through the Controller of Stores and to supply them to the teacher as and when required according to output of work done by him. Reply is awaited.

(23) Under Schools Committee Resolution No. 1447(c) of 17-3-1943 the Stenographer Mr. K. V.
M.C.A. 381 II — Belhe, in the grade of Rs. 55-4-115-5-140 was allowed the grade of Rs. 100-5-150 on his
30-10-1944 — having passed the higher examination in the Shorthand. In terms of the resolution as it is worded only Mr. Belhe who had passed the higher Shorthand examination was to be allowed the higher grade. It is however, observed that the person possessing no higher qualifications and appointed to this post in acting vacancies is allowed to draw alary in the higher grade of Rs. 100-5-150 instead of the usual grade of Rs. 55-4-115-5-140. The Secretary, Schools Committee's attention being called to this irregularity she explained that the higher grade was available to non-qualified persons also. This exaplanation cannot be accepted by audit.

(24) Out of the unspent balances of the Schools Committee's grant for 1943-44 a sum of Rs. 1,12,252
A.C. 466 II — was renewed for expenditure during 1944-45 (*vide* Standing Committee Resolution No. 859
30-10-1944 — of 25-9-1944). The renewed grant included Rs. 59,390 in respect of orders placed for purchases of articles but remaining wholly unexecuted upto 31-3-1944. The Municipal Commissioner, has been requested to state reasons for allowing this sum to be renewed instead of transferring the liability thereof to the grant for 1944-45.

A special report to the Standing Committee has also been made under No. M.C.A. 678/II of 12-4-1945 underlying Standi g Committee Resolution No. 83 o f 18-4-1945.

(25) In the case of employees under training the Schools Committee allows their incremenst to be drawn
M.C.A. 405/II — by them from the dates the employees return to the Schools. However, in the case of
4-11-1944 — an assistant lady teacher it was noticed that she had been paid her increment while under training.

The Secretary, Schools Committee, has been requested to offer remarks. No reply is received inspite of a reminder.

(26) Rent bills for premises occupied by the Schools Committee are being paid every month without obtaining certificates from the Head Masters in charge of the school premises, as regards occupation, rate, claim, etc. In response to audit objection the Secretary, Schools Committee has suggested a form of certificate proposed to be obtained from the Head Masters. It is hoped that early arrangements will be made to get the certificates in the manner suggested by the Secretary, Schools Committee, and approved by the Municipal Chief Auditor.

M.C.A. 418/II
14-11-1944

(27) Two special teachers were appointed to teach special subjects in the Municipal Marathi Female Teachers Training Class and also in the Marathi Boys' and Girls' Schools to which their cost was to be debited proprotionately. It is however, noticed that the whole of the cost has been charged to the grant for the Teachers Training Class. The Secretary, Schools Committee, has been asked to carry out necessary adjustment but no advice has been received from her till the time of closing the accounts.

M.C.A. 419, II
14-11-1944

(28) A sum of Rs. 3-4-0 was held by three different schools in excess of the imprest accounts given to them and shown in the books of the Schools Committee's Office. This amount was neither included in the certificates of advances held by the teachers at the end of each financial year nor was it shown in any book of accounts in the office. The excess has been recovered from the schools concerned and credied to the School Fund but the audit query as to how the excess came to be had by the schools without being accounted for in the Schools Committe's Office remains still unexplained.

M.C.A. 429 II
17-11-1944

(29) The grade of Head Master's post in the Byculla Training Class as shown in the budget shcedule was Rs. 125-5-175 and the incumbent thereof used to draw salary in that grade upto 31-5-1944. A new Head Mistress was appointed to that post on 1-6-1944 and was allowed to draw salary in the scale of Rs. 125-10-175 on the analogy of the grades fixed for the Head Masters of Hindi and Urdu Training Classes. The attention of the Secretary, Schools Committee, has been drawn to this irregularity and she has been requested to get the grade of Rs. 125-5-175 modified to Rs. 125-10-175 if it is intended to pay salary in the latter grade to the present incumbent. No reply is received yet.

M.C.A. 439 II
21-11-1944

(30) A sum of Rs. 2 was paid in excess to the Head Mistress Matunga Station Road Marathi School in the pay bill of Dearness Allowance for April 1944 due to an error in the total. When it was detected by Audit the Head Mistress was called upon to pay up the same. She repaid the excess and explained that the excess was disbursed to the teachers. There was no possibility of paying over the excess to the teachers as the amounts payable to the individual teachers were correct, the mistake being only in the totals.

M.C.A. 442/II
22-11-1944

(31) Irregularities noticed in the quarterly statement of fees for the quarter ending 30-6-1944:—

M.C.A. 496/II
30-12-1944

(1) Some fees appeared to have been recovered in March and April but shown as collected and paid in the Office in April and May 1944.
(2) Mixing up of fees and the miscellaneous receipts.
(3) Miscellaneous receipt shown in the statement as Re. 1 but in the fees register as Rs. 2.
(4) Opening arrears and demand of fees for April, May and June 1944, not shown in the statement of Marathi Girls' Schools.
(5) Certificates of verification of fees not given in certain statements.

Reply to audit reference is awaited.

(32) In two cases of deceased employees insurance premia on their provident insurance policies were paid after their death and in one case even after the payment of the final claim of provident Fund. These irregularities were due to the following reasons:—

M.C.A. 545/II
31-1-1945

(1) Remarks of death were not made in the Provident Fund Accounts of the employees concerned.
(2) While passing the payment of insurance premia the Accounts Office did not see whether there were sufficient balances in the provident fund accounts to cover the payments.

Attention of the Secretary, Schools Committee, has been drawn to these defects and she has been requested to pass necessary instructions to avoid recurrences of such payments in future.

(33) The Schools Committee makes purchases of the articles of furniture, sewing, drawing, etc. As the Accounts Section had no control over the maintenance of proper records of these articles, it was suggested to the Secretary, Schools Committee, that before passing such bills the Superintendent of Accounts should see certificates from the Heads of Departments that the articles were properly entered in the Dead Stock Registers and should also inspect the regiseters periodically.

M.C.A. 557/II
12-2-1945

(34) Value of stamps received from August to November 1944 by the Urdu Boys' Section of the office was found to have been paid to the Accounts Section on 2-1-1945. The Secretary, Schools Committee, has been requested to instruct the staff to avoid delay in remitting receipts however small.

M.C.A. 586/II
21-2-1945

(35) *Imprest Account.*

(*a*) *Secretary, Schools Committee's Office.*—(1) There are two separate imprest accounts one from the Municipal General Fund and the other from the School Fund and the cash balances of the two advances were mixed up. On audit advice the cash balances are now kept separate.

M.C.A. 21/II
12-4-1944

(2) Miscellaneous articles like brooms, etc., were being purchased from the Imprest. On audit advice they are now being indented on the Controller of Stores.

(*b*) *Binding Class.*—(1) Voucher for Rs. 1-4-0 is entered in the account book for Re. 1 only.

M.C.A. 34/II
19-4-44

(2) The cost of three lost cards is shown as Rs. 0-0-9 instead of Re. 0-2-3.
(3) The imprest account book is not maintained in the prescribed form.
(4) Vouchers above Rs. 10 for February and March 1944 were not sent to office with the imprest bills.
(5) Vouchers are not signed by any responsible officer like the Head Master.

It was explained that the mistakes in respect of items Nos. 1 and 2 took place through oversight; as regards Nos. 3 and 5, the suggestions were being attended to and that the vouchers for sums above Rs. 10 were not with the impreset account as they were examined by the office.

(c) *Handicraft Supervisor.*—(1) Previous sanction of the Supervisor to payments made from 1-4-1944
M.C.A. 102/II
17-5-1944 onwards was not recorded.

(2) Certificate that the balance was counted and found correct was not given.

(d) *Superintendent, Aided Schools.*—Usual certificate that the balance was counted and found correct
M.C.A. 104/II was not given.
17-5-1944

(e) *Special Attendance Officer's Office.*—(1) Certificates in the Contingent Register did not contain a
M.C.A. 105/II statement that the balance was counted and found correct.
17-5-1944

(2) Conveyance bills did not show details as to the conveyance used, actual travelling done, etc.

(3) There were no sanctions for postage expenses.

The Secretary, Schools Committee's attention being called to this she writes that the Special Attendance Officer has promised to follow the correct procedure in future.

(f) *Local Committee D and G Wards.*—(1) Cash on hand could not be verified as the clerk explained that
M.C.A. 210/II as no cash box was supplied to him he had kept the cash at his residence.
13-7-1944

(2) Payments were made without previous sanction and without obtaining discharges.

(3) Certificates that the balance was counted and found correct, were not given at the time of submitting the bills for recoupment.

(36) The Supervisor of Handicrafts used to make purchases of wood required for Municipal Schools
M.C.A. 2425/II direct from the Market instead of through the Municipal Central Stores which supplies all
20-11-1941 kinds of wood to Municipal Workshops and other Municipal Departments. After correspondence with the Municipal Commissioner the Secretary, Schools Committee, has been advised that in future the Handicrafts Supervisor should not be allowed to purchase anything from the market direct except in cases where the Stores Department was not able to make supplies. In such cases the Controller of Stores should inform the Secretary, Schools Committee, through the Municipal Commissioner.

(37) As reported in the previous Audit Reports the Supervisor of Handicrafts was asked to keep a proper
M.C.A. 3201/II register of the articles in stock, the articles purchased and the articles supplied to each school,
6-11-1942 An explanation for his failure to do so, which was called for through the Secretary, Schools Committee, has still not been received inspite of reminders.

(38) An explanation asked for from the librarian of the Mominpura Library for the irregularities that
M.C.A. 3418/II existed when the Library was under the control of the Schools Committee, has not still
12-2-1943 been received inspite of repeated reminders.

(39) No account was rendered by the Superintendent, Urdu and Marathi Boys' Schools for unduly
M.C.A. 3836/II long time for the sums of two advances given to them in 1943. Also in four cases, deposits
20-8-1943 lying outstanding for several years were noticed.

As a result of audit reference, steps have been taken to clear the accounts of the above two advances and three amounts of deposits have been remitted to the Chief Accountant and one to the Educational Inspector Bombay Division.

(40) Various irregularities in the method of certification and posting of leave to the leave accounts
M.C.A. 3957/II were reported in the last audit report. Amongst the suggestions made to the Secretary,
15-10-1943 Schools Committee, to check these irregularities, one was to show all the extended periods of leave in one spell of leave taken by the employees in their respective paysheets in order that any leave in excess of the period admissible under the rules may be detected immediately before payment of leave salary. The Secretary, Schools Committee, explains to say that to show the continuity of leave periods in the paysheets is impracticable due to transfers and deputations of teachers from school to school often necessitated by the adjustments of strength according to the number of pupils. I am unble to appreciate this. In view of the fact that when a teacher is on leave and extends it from time to time, the papers relating to his leave are also required to be transferred to the school to which his leave salary is to be charged.

(41) As reported in the last year's Audit Report the following irregularities were noticed in the miscel-
M.C.A. 4043/II laneous bills passed for payment. Explanation from the Secretary, Schools Committee,
6-12-1943 is still not received inspite of reminders:—

(1) Sanctions to quantities and rates of articles purchased not obtained.

(2) No stock register maintained in Urdu Section.

(3) In the register of Gujarati Girls' Section receipts of articles were noted in pencil without initials of the issuing officer and no account of receipts, issues and balances was available. Similarly the register of Gujarati Boys' Section showed only the issues.

(4) In some cases purchases were made without written orders and the usual certificates of the actual receipt of articles, rates, etc., were not endorsed on bills.

(5) For purchases over Rs. 3,000 no tenders were invited by public advertisement on the analogy of Section 72(1) of the Municipal Act.

(42) The following audit references have remained undisposed off with Schools Committee's Office inspite of several reminders :—

Case No. and Date.	Subject.
(1) M.C.A. 457/II of 17-7-1939	... Regarding certain allowances paid to special teachers during vacation.
(2) M.C.A. 2599/II of 10-2-1942	... Regarding supplementary bills passed and paid for the Secretary, Schools Committees' Office without making cross references on the original bills and supplementary bills.
(3) M.C.A. 2778/II of 28-4-1942	... The question of rendering proper account of the articles put in exhibition, the articles sold and the articles left unsold.
(4) M.C.A. 3020/II of 20-8-1942	.. Regarding an advance of Rs. 100 paid to the Supervisor of Handicrafts on 31-3 -1942 by debit to final accounts for incurrence of expenditure during the next year.
(5) M.C.A. 3627/II of 6-5-1943	... Regarding irregularities noticed in connection with the purchase of certain urdu books :— (i) A number of books were purchased in excess of the requirement during 1941-42 owing to a set of books being ordered out twice over. (ii) No register of stock of Urdu books purchased and received gratis from authors or other institutions was maintained. (iii) Actual stock taking of books on hand showed that even after the distribution of prizes for which the books were purchased the excess of books was sufficient to serve the requirement of the next year too. Explanations of the persons responsible for their failure to keep proper account and for going in for fresh purchases without acquainting themselves of the books in hand called for through the Secretary, Schools Committee, have not yet been received.
(6) M.C.A. 4008/II of 18-11-1943	... Regarding payment of salary in addition to stipends to a teacher.

V.—Non-observance of the Municipal Service Regulations.

(1) In two cases employees of the Schools Committee were given leave on average pay for more than four months at one time in contravention of the Municipal Service Regulations. The irregularities being pointed out by audit necessary recoveries have been made from the employees concerned and their leave accounts also are adjusted, but sanction of the Schools Committee is not obtained to the modification. The Secretary, Schools Committee, has been requested to do the needful. Reply is awaited.

M.C.A. 156/II 15-6-1944 & M.C.A. 162/II 16-6-1944

(2) The leave on average pay of 1 month and 2 days from 8-2-1943 to 9-3-1943 granted to an employee was debited to his leave account as 1 month only owing to the wrong method of debiting leave in the leave account by broken periods of extensions given from time to time. The Secretary, Schools Committee, explained that the practice of debiting the accounts only once for the whole period of leave was introduced after November 1943 and the case in question was for a period prior to November 1943 when all cases were treated on the same line.

M.C.A. 172/II 21-6-1944

(3) In a civil case between 2 private parties, a school teacher was summoned to give evidence in the Khed Sub-Judge's Court and the teacher was paid the subsistence allowance for the day received from the Court. As the teacher had drawn his salary for the day from the Municipality he was not entitled to the susbsistence allowance and the Secretary, Schools Committee, was requested to recover it from the teacher. No recovery is yet made.

M.C.A. 420/II 14-11-1944

(4) An assistant school teacher, was reported to be working as a Revenue and Police Patel at his native village while on leave for 3 months and 5 days without sanction of the Schools Committee to take up appointment elsewhere during the leave period. The Secretary being written to in the matter stated that it was proposed to the Schools Committee to recover the amount of the leave salary from the Employee's Provident Fund. However, it is observed that the teacher has since been re-taken in the Committee's service (*vide* Schools Committee Resolution No. 1099 of 7-2-1945) but no reply is received from the Secretary as regards the recovery of the leave salary.

M.C.A. 3990/II 5-11-1943

VI.—General.

(1) A conveyance allowance of Rs. 10 per month is being paid to special teachers for teaching special subjects in more than one school. The Secretary, Schools Committee, has been advised to see whether a group of schools in one locality cannot be allotted to one special teacher so as to minimise the expendituere on this account. Reply is awaited.

M.C.A. 13/II 8-4-1944

(2) The Bank Safe Custody Receipt of the Imperial Bank of India in respect of the shares of the Ahmedabad Mills Ltd., is made out in the name of the Secretary, Schools Committee only instead of in the joint name of the Chairman and the Secretary, Schools Committee, and the face value of the securities is not shown therein. The Secretry, Schools Committee, has been requeted to do the needful.

M.C.A. 22/II 12-4-1944

(3) The payment of Rs. 12 payable to the Painting Class Teacher in respect of painting of school-boards was delayed for a year. The Secretary, Schools Committee, has been requested to state the reasons for the delay. No reply is so far received.

M.C.A. 30/II 18-4-1944

(4) In the Schools Committee's Budget, the minimum of certain posts of peons is being shown at less than 25 whereas the minimum pay fixed for Municipal employees by the Corporation is Rs. 25. To an audit query the Secretary, Schools Committee, replied that according to the ruling of the Chairman, Schools Committee, underlying their Resolution No. 490 of 28-6-1939, the old grades were not abolished. Audit further pointed out that acceptance by the Schools Committee of the Corporation Resolution to pay the minimum of Rs. 25 automatically fixed the minimum of the grades at Rs. 25. She has therefore, been asked to do the needful, if necessary, with the sanction of the Schools Committee.

M.C.A. 237/II 3-8-1944

(5) Under Government Resolution, Educational Department No. 5953 of 20-4-1943, the Government have laid down a condition that the free studentships in English Classes attached to Primary Schools should not exceed 15 per cent. and the excess if any, should be brought down within a period of 3 years. The Schools Committee and the Corporation have also accepted the condition (*vide* Schools Committee Resolution No. 677 of 15-9-1943 and Corporation Resolution No. 51 of 1-5-1944).

M.C.A. 239/II 3-8-1944

Under Bye-law No. 6 of the Schools Committee's Bye-laws the Schools Committee is required to report to the Corporation any changes in the rules regarding free studentship.

However, the Schools Committee under their Resolution No. 1315 of 16-2-1944 have authorised the Secretary, Schools Committee, to grant exemptions to the poor and deserving students over and above the 15 per cent. freeships allowed but the matter does not appear to have been reported to the Corporation nor the Government seem to have been informed of this.

The Secretary, Schools Committee, was requested to offer remarks in the matter but no reply has still been received inspite of a reminder.

(6) Books worth Rs. 43-6-0 and Rs. 7(-13-0 were purchased on 23-3-1944 and 17-2-1944, respectively for the Hindi Teachers' Training Class which was closed on 27-4-1944. Audit enquired as to why the books were purchased when the class was to be closed and how the books were disposed off. In reply the Secretary, Schools Committee, stated that the books were needed for general reading by the pupil teachers and had been given to the Superintendent Hindi Schools.

M.C.A. 270 II
25-8-1944

(7) In order to facilitate payment of salary and such other dues to the heirs of the deceased Municipal employees, a procedure of accepting death and heirship certificates signed by the Magistrates, Mamlatdars, Mahalkaris, J.P., etc., has been adopted instead of insisting upon the legal death and heirship certificates from the Courts. The Municipal Commissioner has further authorised certain Departmental Officers to sign such certificates in respect of the claims of the labour staff working under them. The Schools Committee however, have not authorised any of their officials to sign such certificates, yet a pension claim was found to have been paid to the heirs of a deceased pensioner on the strength of a certificate signed by the Superintendent, Aided Schools. It may be observed that the Schools Committee undertakes the risk in making payments on such certificates in order to give extra facility to the heirs of the deceased employees. But at the same time they must make proper authorisation to partcular officers only just in the same way as the Municipal Commissioner has done for the Departments in his charge. The Secretary's attention has been drawn to this.

M.C.A. 452 II
30-11-1944

(8) A case was reported last year in which realisations on account of cut wood were insignificant when compared with cost of cutting wood. Papers showing the disuosal of wood being called for it was found that out of 5 cases, papers were not traceable in three cases while in two cases the wood of the trees was left in charge of the Heads of the Schools. It was suggested in the last Audit Report that it was for the Secretary, Schools Committee, to enquire as to what the Head Masters did with the wood in the three cases in which the papers were not traceable. *Reply is awaited.*

M.C.A. 3646 II
11-5-1943

(9) As reported last year Messrs. Shivlal & Chimanlal were entrusted with the work of removing Shahabad stones from the compound of the Byculla Marathi Boys' School. On enquiries it was learnt that the Shahabad stones were lying undisposed off. The Assistant Engineer (Architect) was, therefore, requested to use the stones on some Municipal Work. Accordingly the material has been used for two Municipal works. Necessary credit from the Assistant Engineer (Architect) is awaited.

M.C.A. 3649/II
11-5-1943

(10) As reported in the last year's Audit Report the Schools Committee had written to the Corporation at the suggestion of audit to represent to Government to contribute towards the additional expenditure for the work of inspection of primary sections of the English Teaching Schools, which the Schools Committee were carrying out on behalf of the Government (*vide* Schools Committee Resolution No. 202 of 12-5-1943 and 336 of 21-7-1943). Accordingly the Corporation decided to address Government suitably to arrive at some decision in the matter. (*Vide* Corporation Resolution No. 39 of 30-4-1945). Result is awaited.

M.C.A. 3700/II
14-6-1943

(11) The Schools Committee's Printing Press at Foras Road, was closed during the year 1940-41 and all the printing work of the Schools Committee is now got done at the Municipal Printing Press. On the closing of the Press, however, the machinery and dead stock articles were lying idle. The Secretary, Schools Committee was, therefore, requested to put up a complete list of machinery and deadstock articles. She was also requested to state as to what was proposed to be done with the machinery.

M.C.A. 3781 II
21-7-1943

The matter was placed before the Schooos Committee by the Secretary with the expert opinion of Mr. Dalal of the Associated Advertisers who after inspection opined that due to lack of proper care some parts of the machinery require repairs and replacements and that with the help of a qualified and capable men the press could still be worked with advantage. The Schools Committee has called a further report from the Secretary, Schools Committee, as to the cost involved in re-organising the Press. It may be remarked that although 5 years have elapsed since the Press was closed nothing has been done to realise the vaue of the machinery or to put it to some use in the Municipal Printing Press and the Machinery may be getting further deteriorated with the lapse of time.

(12) Since the year 1933-39 the Municipal Chief Auditor has been insisting upon the Schools Committee to show the rents of the school buidings constructed at municipal cost in the expenditure of school fund (see annual reports from the year 1933-39 onwards) and accordingly the Schools Committee under their Resolution No. 1332 of 22-12-1941 directed the Superintendent of Accounts to show the rent of buildings on the expenditure side of the School Fund Budget.

M.C.A. 3782 II
21-7-1943
&
M.C.A. 677/II
12-4-1945

The question of fixing the nominal rent of the school building was referred to by the Schools Committee to the Corporation but it being mixed up with some other question no orders were passed thereon (*vide* Corporation Resolution No. 1119 of 9-3-1942).

The Schools Committee have however, done nothing in the matter to bring the question before the Corporation again. The Municipal Chief Auditor has therefore, referred the matter to the Standing Committee who have called for the remarks of the Schools Committee (*vide* Standing Committee Resolution Nos. 82 of 18-4-1945 and 640 of 15-8-1945). It may be observed that so long as the Schools Committee do not show complete cost of rents in their accounts, the cost of expenditure per pupil shown by them in their annual reports to the Corporation from year to year is incorrect.

(13) As mentioned in the last year's report, the Municipal Commissioner was requested to consider the feasibility of including all items of clothing required annually by the Schools Committee in the General Contract in consultation with the Secretary, Schools Committee, with a view to bringing all annual purchases under proper control. As a result of audit reference, the Secretary, Schools Committee, has agreed to include all items of clothing (including the requirements for Boy Scouts) in the General Schedule and this year's orders for clothing are accordingly placed with the controller of Stores.

M.C.A. 3926/II
27-9-1943

(14) As reported in the last Audit Report amusic teacher was paid conveyance allowance from 31-8-1943 to 30-9-1943. It was enquired of the Secretary, Schools Committee, whether during those days the teacher was asked to work in more than one school and whether proper record of his attendances at such schools duly certified by the Head Teacher was maintained. No reply is still received inspite of several reminders.

M.C.A. 4012/II
12-11-1943

(15) No reply has yet been received from the Secretary, Schools Committee, inspite of a reminder in the case reported last year in connection with the benefit of the instalment promotion rule given to a lady teacher as a second year trained teacher when she was entitled to the benefit as a first year trained teacher only.

M.C.A. 4142 II
27-1-1944

(16) *Irregularities in Budgeting.*

(*a*) Bills for conveyance allowances to 17 physical instructors at Rs. 10 each per month and to one Supervisor, Boys' Schools at Rs. 45 and to one Supervisor, Girls' Schools at Rs. 20 per month were being charged in the paybills and paid out of the establishment grant, without any provision in the budget for this purpose. The attention of the Secretary Schools Committee, being dawn to this irregularity in July 1944, an additional grant of Rs. 5,092 was pro.ided in the revised budget estimates to regularise the matter.

M.C.A. 195/II
5-7-1944

(*b*) Grades of physical instructors who were drawing salaries in the grade lower than Rs. 60-2-100 were revised to Rs. 60-2-100 under Schools Committee Resoltion No. 1525 dated 30th Msrch 1943. However, the provision in the Establishment Schedule of the School Fund Budget was found to have been made on the basis of the old grades *viz.*, 55-2-95 and Rs. 40-1-65 although the salaries were being paid from month to month in the revised grades. To an audit query the Secretary, Schools Committee, explained that the changes could not be effected in the budget schedule as the Accounts Section did not get the information till August 1943. This is simply surprising in view of the fact that printed proceedings of the minutes of the Schools Committee are available to the Departments from week to week.

M.C.A. 194,II
5-7-1944

(*c*) For the provisions of Rs. 9,162 made in the budget in connection with the temporary establishment of teachers for 3 months, no details as to the number of teachers, their grades, pay and amounts, etc., were found therein.

M.C.A. 238,II
3-8-1944

(17) The following audit references have remained undisposed off with the Schools Committee's Office inspite of several reminders :—

Case No. and Date.	Subject.
(1) M.C.A. 1431/II 4-10-1940.	A redundent order placed with the Furniture Removing Contractor and payment of Rs. 4/- to him.
(2) M.C.A. 2394/II 12-11-41.	A report called from the Secretary, Schools Committee, in connection with the missing articles alleged to have been stolen.

VII. Reports sent to the Standing Committee.

(1) As reported in the previousaudit reports reference had been made to the Standing Committee on the irregularities observed in the accounts of the Libraries which were till the year 1942-43 under the control of the Schools Committee. The Standing Committee called for a report of the Schools Committee (*vide* Standing Committee Resolution No. 1898 of 3-3-1943), which is not yet received.

M.C.A. 3460/II
25-2-1943

(2) As reported in the previous audit reports, a reference was made to the Standing Committee on the irregularities in the maintenance of tabulation registers for the year 1940-41. The Standing Committee have called for a report from the Schools Committee (*vide* Standing Committee Resolution No. 655 of 29-8-1941). Although four years have since passed no report is yet made.

M.C.A. 2345/II
18-10-1944

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1944-45.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be appointed.	Total teachers available.	Excess. (12-7)	Deficit. (7-12)	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st March 1944.															
Marathi Schools	25,272	39,238	64,510	396	981	1,377	1,754½	363	1,391½	...	1,391½	14½	...	97	
Gujarati Schools	5,895	9,353	15,248	98	234	332	439	109	330	...	330	...	2	31	
Urdu Schools	8,247	8,847	17,094	207	221	428	490	107	383	...	383	...	45	48	
Rest	1,994	2,716	4,710	33	68	101	165	71	94	...	94	...	7	1	
Total ...	41,408	60,154	1,01,562	734	1,504	2,238	2,848½	650	2,198½	...	2,198½	14½	54	177	
As on 1st April 1944.															
Marathi Schools	24,374	39,075	63,449	380½	977	1,357½	1,734	360	1,374	...	1,374	16½	...	45	
Gujarati Schools	5,706	9,280	14,986	95	232	327	440	109	331	...	331	4	...	34	
Urdu Schools	8,074	8,765	16,839	202	219	421	489	106	383	...	383	...	38	51	
Rest	2,040	2,817	4,857	34	71	105	162	72	90	...	90	...	15	3	
Total ...	40,194	59,937	1,00,131	711½	1,499	2,210½	2,825	647	2,178	...	2,178	20½	53	133	
As on 1st May 1944.															
Marathi Schools	24,759	33,166	57,925	387	829	1,216	1,725	111	1,614	...	1,614	398	...	55	
Gujarati Schools	5,663	8,242	13,905	94	206	300	439	29	410	...	410	110	...	16	
Urdu Schools	7,990	8,014	16,004	199	201	400	489	28	461	...	461	61	...	37	
Rest	2,048	2,734	4,782	34	68	102	161	10	151	...	151	49	...	3	
Total ...	40,460	52,156	92,616	714	1,304	2,018	2,814	178	2,636	...	2,636	618	...	111	
As on 1st June 1944.															
Marathi Schools	All the Municipal Schools were closed in the month of May 1944.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be appointed.	Total teachers available.	Excess. (12-7)	Deficit. (7-12)	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st July 1944.															
Marathi Schools	18,645	42,241	60,886	286½	1,056	1,342½	1,718½	137	1,581½	...	1,581½	239	...	85	
Gujarati Schools	4,681	10,128	14,809	78	253	331	433	20	413	...	413	82	...	24	
Urdu Schools	5,743	10,930	16,673	144	273	417	482	27	455	...	455	38	...	55	
Rest	1,243	3,715	4,958	21	93	114	159	10	149	...	149	35	...	14	
Total ...	30,312	67,014	97,326	529½	1,675	2,204½	2,792½	194	2,598½	...	2,598½	394	...	178	
As on 1st August 1944.															
Marathi Schools	19,705	43,147	62,852	303½	1,078	1,381½	1,716½	141	1,575½	...	1,575½	194	...	95	
Gujarati Schools	4,909	10,410	15,319	82	260	342	431	21	410	...	410	68	...	29	
Urdu Schools	6,249	10,887	17,136	157	272	429	482	31	451	...	451	22	...	68	
Rest	1,429	3,642	5,071	24	91	115	160	11	149	...	149	34		6	
Total ...	32,292	68,086	1,00,378	566½	1,701	2,267½	2,789½	204	2,585½	...	2,585½	318	...	198	
As on 1st September 1944.															
Marathi Schools	17,302	45,983	63,285	269½	1,149	1,418½	1,711½	161	1,550½	...	1,550½	132	...	97	
Gujarati Schools	5,021	10,574	15,595	88	265	353	430	22	408	...	408	55	...	30	
Urdu Schools	6,545	10,643	17,188	163	266	429	476	32	444	...	444	15	...	54	
Rest	1,545	3,636	5,181	25	91	116	161	11	150	...	150	34	...	5	
Total ...	30,413	70,836	1,01,249	545½	1,771	2,316½	2,778½	226	2,552½	...	2,552½	236	...	186	
As on 1st October 1944.															
Marathi Schools	13,331	44,543	57,874	333	1,113	1,446	1,606	167	1,439	...	1,439	...	7	...	
Gujarati Schools	5,054	10,656	15,710	126	266	392	428	25	403	...	403	11	...	24	
Urdu Schools	6,533	10,295	16,828	258	163	421	478	31	447	...	447	26	...	53	
Rest	1,580	3,613	5,193	39	90	129	160	12	148	...	148	19	...	5	
Total ...	26,498	69,107	95,605	756	1,632	2,388	2,672	235	2,437	...	2,437	56	7	82	

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1944-1945.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be appointed.	Total teachers available.	Excess. (12-7)	Deficit (7-12)	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st November 1944.															
Marathi Schools	(NOT SUB-MITTED.)														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															
As on 1st December 1944.															
Marathi Schools	19,951	45,504	65,465	499	1,137	1,636	1,757	178	1,579	...	1 579	...	57	45	
Gujarati Schools	5,908	10,669	16,577	148	267	415	426	27	399	...	399	...	16	40	
Urdu Schools	6,938	10,008	16,946	174	250	424	475	31	444	...	444	20	...	59	
Rest	1,699	3,469	5,168	42	87	129	157	12	145	...	145	16	...	5	
Total ...	34,506	69,650	1,04,156	863	1,741	2,604	2,815	248	2,567	...	2,567	36	73	149	
As on 1st January 1945.															
Marathi Schools	29,596	45,893	75,489	740	1,147	1,887	1,756	193	1,563	...	1,563	...	324	98	
Gujarati Schools	7,341	10,745	18,086	184	268	452	424	31	393	...	393	...	59	34	
Urdu Schools	8,910	10,089	18,999	223	252	475	475	35	440	...	440	...	35	53	
Rest	2,302	3,478	5,780	58	87	145	157	12	145	...	145	...	...	7	
Total ...	48,149	70,205	1,18,354	1,205	1,754	2,959	2,812	271	2,541	...	2,541	...	418	192	
As on 1st February 1945.															
Marathi Schools	32,208	45,828	78,036	805	1,146	1,951	2,016	186	1,830	...	1,830	...	131	95	
Gujarati Schools	7,870	10,846	18,716	197	271	468	443	35	408	...	408	...	60	48	
Urdu Schools	9,208	9,912	19,120	230	248	478	471	32	439	...	439	...	39	57	
Rest	2,454	3,460	5,914	61	87	148	170	12	158	...	158	10	...	9	
Total ...	51,740	70,046	1,21,786	1,293	1,752	3,045	3,100	265	2,835	...	2,835	10	230	209	

S. DALLAS,
Ag. Secretary Schools Committee.

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. M.C.A. 966 IV of 1945-46.

BOMBAY, *26th September 1945.*

FROM

R. C. MEHTA, Esquire, F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

RE.—OUTSTANDING BALANCES OF RATES AND TAXES ON 31ST MARCH 1945.

Sir,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879 and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal rates and taxes, Additional General (Riot) Taxes, Urban Immovable Property Tax, Street Number Plates and Meter Hire, which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1945. The details of the outstanding amounts from year to year pertaining to different Wards are given in the Statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1945 under different heads are summarised below:—

Particulars.	No. of bills.	Amount.	REMARKS.
		Rs. a. p.	
(*a*) Property taxes including Wheel Tax.	22,031	31,81,909 5 5	Exclusive of Urban Immoveable Property Tax amounting to Rs. 9,61,848-13-0.
(*b*) Meter Hire ...	344	10,280 12 0	
(*c*) Street Number Plates ...	18	26 4 0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	...	3,13,090 7 0	
(*e*) Additional General Tax No. V.	139	6,090 6 0	
(*f*) Additional General Tax No. VI.	5	60 13 0	
(*g*) Additional General Tax No. VII.	26	97 6 0	
(*h*) Additional General Tax No. VIII.	3	28 9 0	
(*i*) Additional General Tax No. X.	212	20,078 2 0	
(*j*) Additional General Tax No. XI.	15	81 6 0	
(*k*) Additional General Tax No. XII.	61	1,173 2 0	
(*l*) Additional General Tax No. XIII.	5	294 13 0	
(*m*) Additional General Tax No. XIV.	7	2 0 0	
(*n*) Additional General Tax No. XV.	1	29 6 0	
(*o*) Urban Immoveable Property Tax ...	*	9,61,848 13 0	*The bills outstanding for Urban Immoveable Property Tax are included in the number of bills shown under Item (*a*) above.
Total ...	22,867	44,95,091 8 5	

(2). The outstanding balances under (*a*), (*b*), (*c*) and (*d*) above as compared with those of the previous year were as follows:—

No.	Particulars.	Outstanding on 31st March 1944.	Outstanding on 31st March 1945.
		Rs. a. p.	Rs. a. p.
1	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	2,86,494 1 0	3,13,090 7 0
	(*b*) Government (Property Taxes) ...	87,908 10 0	1,70,182 12 0
2	Bombay Port Trust ...	27,443 10 0	825 1 0
3	Bombay Municipal Corporation (Improvements) ...	61,659 12 0	29,890 15 0
4	G. I. P. Railway ...	47,883 2 0	1,00,286 3 0
5	B. B. & C. I. Railway ...	90,052 2 0	1,29,838 1 0
6	Mills ...	1,68,957 10 0	53,343 11 0
7	Other ratepayers ...	20,64,961 8 3	26,97,542 10 5
	Total Rs. ...	28,35,360 7 3	34,94,999 12 5
8	Meter Hire ...	3,621 0 0	10,280 12 0
9	Street Number Plates ...	70 0 0	26 4 0
	Grand Total Rs. ...	28,39,051 7 3	35,05,306 12 5

1. (*a*) The sum of Rs. 3,13,090-7-0 represents amount payable by Government for the period from 1934-35 to 1944-45 in respect of Military and Police Hospitals.

(*b*) This amount is in respect of Water & Special Halalkhore charges for Government properties covered by the award.

2. The sum of Rs. 825-1-0 is in respect of the Special Halalkhore Tax and the Water Charges.

3. The taxes amounting to Rs. 29,890-15-0 are due by the Bombay Municipal Corporation (Improvements) and are required to be adjusted against grants.

4. Out of the amount of Rs. 1,00,286-3-0 a sum of Rs. 37,601-4-0 has been received leaving a balance of Rs. 62,684-15-0 as outstanding. From this outstanding, one bill amounting to Rs. 16,555 is under dispute.

5. Out of the sum of Rs. 1,29,838-1-0, an amount of Rs. 10,669-15-0 has been collected leaving a balance of Rs. 1,19,168-2-0 as outstanding. However, from this outstanding of Rs. 1,19,168-2-0, bills amounting to Rs. 4,352-4-0 for water charges are under dispute.

6. Out of the outstandings of Rs. 53,343-11-0, Rs. 14,772-5-0 have been collected and Rs. 12,402-2-0, received on account and held in deposit, are to be adjusted after the disposal of complaints.

7. The outstandings of Rs. 26,97,542-10-5 from the general rate-payers consist of Rs. 1,53,000-0-0 involved in suits filed and to be filed, Rs. 22,300-0-0 due from the Court Receiver and the Official Assignee, Rs. 3,84,000-0-0 disputed by the Royal Western India Turf Club in respect of Race Course and Rs. 10,71,000 for amended bills issued in March 1945 and the balance of Rs. 10,67,242-10-5 in respect of other bills.

(3) Number of bills and amounts outstanding on account of Property and Wheel Taxes from year to year were as under:—

Year.	No. of Bills.	Outstanding on 31st March 1944.	No. of Bills.	Outstanding on 31st March 1945.
		Rs. a. p.		Rs. a. p.
1926-27	2	1,520 10 0	...	...
1927-28	.	2,273 2 0	..	...
1928-29	...	...	...	...
1929-30	...	...	...	...
1930-31	4	392 10 0	4	392 10 0
1931-32	4	462 10 0	4	462 10 0
1932-33	16	1,940 8 0	9	1,346 15 0
1933-34	24	2,613 13 0	16	1,559 1 0
1934-35	33	3,568 12 0	23	2,147 10 0
1935-36	44	5,389 4 0	31	3,488 10 0
1936-37	58	4,717 12 0	32	2,203 15 0
1937-38	83	6,597 15 0	48	4,134 3 0
1938-39	126	11,577 4 0	70	5,684 12 0
1939-40	219	19,318 13 0	111	12,637 9 0
1940-41	334	29,664 3 0	162	19,005 15 0
1941-42	498	43,922 13 0	238	25,261 5 0
1942-43	4,231	2,58,629 5 6	1,750	1,22,327 11 0
1943-44	16,143	21,56,276 15 9	3,713	2,98,284 4 5
1944-45	...	...	15,820	26,82,972 3 0
Total ...	21,821	25,48,866 6 3	22,031	31,81,909 5 5
Add—Payment by Government in lieu of General Tax		2,86,494 1 0		3,13,090 7 0
Grand Total ...		28,35,360 7 3		34,94,999 12 5

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 9.40 as against 7.93 for the previous year showing an increase of 1.47.

(4) A statement of the transaction for the year is as follows :—

	Rs.	a.	p.
Property and Wheel Tax:—			
Balance on 1st April 1944	28,35,360	7	3
Add—			
Demand during the year	3,43,27,683	6	6
	3,71,63,043	13	9
Less—			
Recoveries during the year	3,36,68,044	1	4
Balance on 31st March 1945—exclusive of amount of bills for meter hire and street number plates	34,94,999	12	5

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 6,255-13-0 and Rs. 1,05,856-0-0 respectively, as against Rs. 1,67,928-10-0 and Rs. 4,00,422-6-0 during the previous year. The total amount written off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 6,207-1-6.

(6) The total number of bills for property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1945 was 22,867. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

I have the honour to be,
Sir,
Your most obedient servant,

R. C. MEHTA,
Municipal Chief Auditor.

MUNICIPAL OFFICES.
BOMBAY, 26th September 1945.

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND								Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of Bills. / Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) / (14)
			Rs. a. p.	Rs a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1930-31	B ...	2	139 14 0	68 8 0	...	...	54 12 0	...	263 2 0	...	263 2 0	... ...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	129 8 0	...	129 8 0	... ...
	Total ...	4	221 8 0	95 2 0	...	...	76 0 0	...	392 10 0	...	392 10 0	... ...
1931-32	B ...	2	209 14 0	68 8 0	...	...	54 12 0	...	333 2 0	...	333 2 0	... ...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	129 8 0	...	129 8 0	... ...
	Total ...	4	291 8 0	95 2 0	...	...	76 0 0	...	462 10 0	...	462 10 0	... ...
1932-33	A ...	1	8 15 0	2 15 0	...	...	2 5 0	...	14 3 0	...	14 3 0	... ...
Do.	B ...	4	389 14 0	127 4 0	...	...	101 12 0	...	618 14 0	...	618 14 0	... ...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	129 8 0	...	129 8 0	... ...
Do.	E ...	2	463 8 0	...	...	...	120 14 0	...	584 6 0	...	584 6 0	... ...
	Total ...	9	943 15 0	156 13 0	...	...	246 3 0	...	1,346 15 0	...	1,346 15 0	... ...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year	Ward.	No. of bills.	DETAILS OF DEMAND									Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1933-34	A ...	4	32 4 0	10 10 0	...	...	8 6 0	...	51 4 0	...	51 4 0	...	...
Do.	B ...	4	389 14 0	127 4 0	...	...	101 12 0	...	618 14 0	...	618 14 0	...	...
Do.	C ...	5	173 11 0	56 11 0	...	...	45 4 0	...	275 10 0	...	275 10 0	...	...
Do.	E ...	2	463 8 0	0 2 0	...	...	120 14 0	...	584 8 0	...	584 8 0	...	..
Do.	F ...	1	21 0 0	...	...	...	7 13 0	...	28 13 0	...	28 13 0	...	...
	Total ...	16	1,080 5 0	194 11 0	...	...	284 1 0	...	1,559 1 0	...	1,559 1 0	...	...
1934-35	A ...	4	35 0 0	10 10 0	...	...	8 6 0	...	54 0 0	...	54 0 0	...	...
Do.	B ...	4	423 12 0	127 4 0	...	...	101 12 0	...	652 12 0	...	652 12 0	...	...
Do.	C ...	6	238 2 0	71 8 0	...	...	57 2 0	...	366 12 0	...	366 12 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	503 12 0	151 2 0	...	...	120 14 0	...	775 12 0	...	775 12 0	...	...
Do.	F ...	4	61 14 0	...	...	...	19 8 0	...	81 6 0	...	81 6 0	...	...
Do.	G ...	1	55 5 0	16 10 0	...	...	9 7 0	...	81 6 0	...	81 6 0	...	...
	Total...	23	1,427 3 0	377 2 0	...	...	343 5 0	...	2,147 10 0	...	2,147 10 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										
			General Tax.	WATER TAX			HALALKHORE TAX		Total of Municipal taxes.	Urban Immovable Property Tax.	Grand Total.	METER HIRE	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1935-36	A ...	6	188 12 0	10 10 0	...	...	45 4 0	...	244 10 0	...	244 10 0	...	...
Do.	B ...	4	175 1 0	47 12 0	...	...	38 1 0	...	260 14 0	...	260 14 0	...	...
Do.	C ...	8	1,655 3 0	496 11 0	...	...	397 4 0	...	2,549 2 0	...	2,549 2 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	45 0 0	13 8 0	...	...	10 12 0	...	69 4 0	...	69 4 0	...	...
Do.	F ...	5	74 11 0	...	...	...	22 9 0	...	97 4 0	...	97 4 0	...	...
Do.	G ...	4	85 10 0	25 12 0	...	...	20 8 0	...	131 14 0	...	131 14 0	...	...
	Total ...	31	2,333 11 0	594 5 0	...	...	560 10 0	...	3,488 10 0	...	3,488 10 0	...	...
1936-37	A ...	6	173 12 0	10 10 0	...	...	45 4 0	...	229 10 0	...	229 10 0	...	...
Do.	B ...	4	115 8 0	31 6 0	...	...	25 0 0	...	171 14 0	...	171 14 0	...	...
Do.	C ...	8	875 4 0	235 12 0	...	...	261 12 0	...	1,372 12 0	...	1,372 12 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	126 14 0	...	126 14 0	...	...
Do.	E ...	2	41 6 0	13 8 0	...	...	10 12 0	...	65 10 0	...	65 10 0	...	...
Do.	F ...	6	85 5 0	...	...	...	26 14 0	...	112 3 0	...	112 3 0	...	...
Do.	G ...	4	78 12 0	25 12 0	...	...	20 8 0	...	125 0 0	...	125 0 0	...	...
	Total ...	32	1,470 9 0	317 0 0	...	...	416 6 0	...	2,203 15 0	...	2,203 15 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1937-38	A ...	8	301 8 0	98 6 0	...	...	78 10 0	...	478 8 0	...	478 8 0	...	...
Do.	T ...	4	...	...	1,366 2 0	...	...	...	1,366 2 0	...	1,366 2 0	...	...
Do.	B ...	6	409 6 0	127 2 0	...	...	101 12 0	...	638 4 0	...	638 4 0	...	...
Do.	C ...	11	866 3 0	20 6 0	...	...	226 4 0	...	1,112 13 0	...	1,112 13 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	126 14 0	...	126 14 0	...	...
Do.	E ...	4	85 10 0	13 8 0	...	...	22 4 0	...	121 6 0	...	121 6 0	...	...
Do.	F ...	7	96 13 0	12 12 0	...	...	37 7 0	...	147 0 0	...	147 0 0	...	...
Do.	G ...	6	90 4 0	29 8 0	...	...	23 8 0	...	143 4 0	...	143 4 0	...	...
	Total ...	48	1,950 6 0	301 10 0	1,366 2 0	...	516 1 0	...	4,134 3 0	...	4,134 3 0	...	...
1938-39	A ...	3	282 9 0	92 2 0	...	...	73 12 0	...	448 7 0	...	448 7 0	...	...
Do.	T ...	5	...	...	104 1 0	...	...	...	104 1 0	...	104 1 0	...	...
Do.	B ...	10	701 9 0	157 0 0	...	...	192 11 0	...	1,051 4 0	...	1,051 4 0	...	...
Do.	C ...	17	983 12 0	28 2 0	...	...	263 14 0	...	1,275 12 0	...	1,275 12 0	...	...
Do.	D ...	5	558 0 0	123 10 0	...	...	145 10 0	...	827 4 0	...	827 4 0	...	...
Do.	E ...	7	345 5 0	21 4 0	...	...	89 15 0	...	456 8 0	...	456 8 0	...	...
Do.	F ...	12	650 12 0	110 1 0	...	...	197 7 0	...	958 4 0	...	958 4 0	...	...
Do.	G ...	8	376 1 0	64 7 0	...	...	91 1 0	...	531 9 0	...	531 9 0	...	...
	Total ...	67	3,898 0 0	596 10 0	104 1 0	...	1,054 6 0	...	5,653 1 0	...	5,653 1 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.								Meter Hire.	
				Water Tax.			Halalkhore Tax.		Total of Municipal Taxes.	Urban Immoveable Property Tax.	No. of Bills.	Amount.
			General Tax.	On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1939-40	A ...	2	234 10 0	76 8 0	...	...	61 4 0	...	372 6 0	204 0 0	...	...
Do.	G. P. R. ...	2	...	...	...	...	...	16 8 0	16 8 0	...	...	...
Do.	B ...	27	2,341 15 0	200 5 0	...	...	643 13 0	...	3,186 1 0	1,616 7 0	...	...
Do.	C ...	21	1,093 11 0	28 2 0	...	...	415 11 0	...	1,537 8 0	1,917 0 0	...	...
Do.	D ...	12	2,041 13 0	368 7 0	...	...	713 4 0	...	3,123 8 0	2,124 4 0	...	...
Do.	E ...	11	1,195 12 0	19 5 0	...	...	311 12 0	...	1,526 13 0	902 7 0	...	...
Do.	F ...	19	1,380 15 0	89 15 0	...	...	386 2 0	...	1,857 0 0	974 2 0	...	...
Do.	G ...	13	707 4 0	44 13 0	...	...	199 1 0	...	951 2 0	568 0 0	...	...
	Total ...	107	8,996 0 0	827 7 0	...	...	2,730 15 0	16 8 0	12,570 14 0	8,306 4 0	20,877 2 0	...	...
1940-41	A ...	4	164 8 0	53 11 0	...	...	42 15 0	...	261 2 0	127 8 0	388 10 0	...	...
Do.	G. P. R. ...	2	...	...	...	...	...	16 8 0	16 8 0	...	16 8 0	...	...
Do.	B ...	31	2,698 3 0	127 2 0	...	...	709 4 0	...	3,534 9 0	1,843 6 0	5,377 15 0	...	...
Do.	C ...	29	3,705 4 0	364 14 0	22 7 0	...	990 0 0	...	5,082 9 0	3,034 8 0	8,117 1 0	...	...
Do.	D ...	16	2,705 8 0	22 12 0	556 9 0	...	724 5 0	...	4,009 2 0	2,134 4 0	6,143 6 0	...	...
Do.	E ...	18	2,070 8 0	...	...	...	574 15 0	...	2,645 7 0	1,532 15 0	4,178 6 0	...	...
Do.	F ...	22	1,535 14 0	117 10 0	...	...	426 8 0	...	2,080 0 0	1,041 8 0	3,121 8 0	...	...
Do.	G ...	22	544 12 0	121 2 0	...	...	217 12 0	...	883 10 0	619 10 0	1,503 4 0	...	...
	Total ...	144	13,424 9 0	807 3 0	579 0 0	...	3,685 11 0	16 8 0	18,512 15 0	10,333 11 0	28,846 10 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.									Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p	Rs. a. p	Rs. a. p.		Rs. a. p.
1941-42	A ...	3	21 7 0	7 1 0	...	...	5 9 0	...	34 1 0	...	34 1 0	...	...
Do.	G. P. R. ...	5	35 1 0	...	...	...	9 2 0	37 12 0	81 15 0	...	81 15 0	...	..
Do.	T ...	3	153 14 0	50 4 0	...	...	40 1 0	...	244 3 0	81 7 0	325 10 0	...	...
Do.	B ...	38	4,568 14 0	281 4 0	...	...	1,211 0 0	...	6,061 2 0	2,718 12 0	8,779 14 0	...	..
Do.	C ...	28	4,876 5 0	449 7 0	...	...	1,319 4 0	...	6,645 0 0	3,132 1 0	9,777 1 0	...	...
Do.	D ...	14	2,648 0 0	...	...	...	686 4 0	...	3,334 4 0	1,662 4 0	4,996 8 0	...	...
Do.	E ...	29	2,512 13 0	285 0 0	...	...	742 10 0	...	3,540 7 0	1,398 11 0	4,939 2 0	...	...
Do.	F ...	24	1,561 6 0	153 7 0	...	...	437 14 0	...	2,152 11 0	833 2 0	2,985 13 0	...	...
Do.	G ...	29	831 13 0	134 7 0	...	...	309 11 0	...	1,275 15 0	621 4 0	1,897 3 0	...	...
	Total ...	173	17,209 9 0	1,360 14 0	...	...	4,761 7 0	37 12 0	23,369 10 0	10,447 9 0	33,817 3 0	...	...
1942-43	A ...	17	2,452 13 0	134 10 0	...	...	417 3 0	...	3,004 10 0	1,661 3 0	4,665 13 0	...	...
Do.	G. P. R. ...	13	1,823 13 0	...	5,024 2 0	...	475 13 0	4,258 10 0	11,582 6 0	...	11,582 6 0	...	. .
Do.	T ...	33	653 0 0	213 4 0	925 8 0	...	166 2 0	...	1,957 14 0	169 10 0	2,127 8 0	...	.
Do.	B ...	49	11,337 14 0	488 1 0	...	...	2,993 9 0	...	14,819 8 0	3,066 14 0	17,886 6 0	...	
Do.	C ...	36	5,534 2 0	1,005 14 0	...	...	1,555 7 0	..	8,095 7 0	3,283 3 0	11,378 10 0	...	.
Do.	D ...	97	9,523 9 0	5,362 15 0	...	13 7 0	5,522 3 0	...	20,422 2 0	6,159 2 0	26,581 4 0	...	...
Do.	E ...	44	3,210 7 0	302 14 0	...	10 6 0	857 8 0	...	4,381 3 0	1,593 1 0	5,974 4 0	...	..
Do.	F ...	48	1,572 7 0	1,861 7 0	185 15 0	...	449 14 0	...	4,069 11 0	808 12 0	4,878 7 0	...	...
Do.	G ...	59	10,826 14 0	2,712 14 0	1,339 12 0	...	2,897 3 0	...	17,776 11 0	6,947 2 0	24,723 13 0	...	...
	Total ...	396	46,934 15 0	12,081 15 0	7,475 5 0	23 13 0	15,334 14 0	4,258 10 0	86,109 8 0	23,688 15 0	1,09,798 7 0	...	...

STATEMENT A.—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1945.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										
			General Tax.	Water Tax.			Halalkhore Tax.		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total	Meter Hire.	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1943-44	A ...	187	16,486 8 0	5,488 13 0	5,393 10 0	62 10 0	3,640 11 0	...	31,072 4 0	24,219 11 0	55,291 15 0	...	...
Do.	G.P.R. ...	54	2,942 7 0	1 14 0	8,023 3 0	...	769 2 0	5,248 1 0	16,984 11 0	...	16,984 11 0	...	...
Do.	T. ...	36	1,742 8 0	525 5 0	492 15 0	...	454 12 0	...	3,215 8 0	875 15 0	4,091 7 0	...	...
Do.	B ...	114	22,021 5 5	2,981 2 0	1,451 14 0	22 2 0	5,899 14 0	...	32,376 5 5	9,554 14 6	41,931 3 5	...	...
Do.	C ...	72	11,138 4 0	2,673 2 0	91 15 0	207 6 0	3,565 10 0	...	17,676 5 0	6,874 10 0	24,550 15 0	...	...
Do.	D ...	199	21,124 13 0	13,464 4 0	267 0 0	26 14 0	11,456 7 0	...	46,339 6 0	17,907 11 0	64,247 1 0	...	
Do.	E ...	86	6,637 0 0	4,862 13 0	440 12 0	10 6 0	1,758 4 0	...	13,709 3 0	5,420 10 0	19,129 13 0	...	...
Do.	F ...	98	13,721 1 0	6,247 10 0	355 13 0	...	3,555 4 0	...	23,879 12 0	14,182 5 0	38,062 1 0	...	...
Do.	G ...	190	28,672 8 0	6,881 3 0	745 5 0	2 0 0	8,105 12 0	...	44,406 12 0	24,926 10 0	69,333 6 0	...	...
Total ...		1,036	1,24,486 6 5	43,126 2 0	17,262 7 0	331 6 0	39,205 12 0	5,248 1 0	2,29,660 2 5	1,03,962 6 0	3,33,622 8 5	...	...
1944-45	A ...	1213	1,83,707 3 6	42,453 4 0	1,37,884 0 0	681 11 0	52,043 0 0	...	4,16,769 2 6	1,41,882 1 0	5,58,651 3 6	44	1,715 0 0
Do.	G.P.R. ...	599	7,985 12 0	2,028 9 0	3,59,173 1 0	...	2,084 14 0	17,551 2 0	3,88,823 6 0	1,195 12 0	3,90,019 2 0	214	6,819 4 0
Do.	T ...	201	13,956 10 0	4,510 4 0	454 3 0	2 0 0	3,651 6 0	...	22,574 7 0	6,966 3 0	29,540 10 0	10	175 8 0
Do.	B ...	1299	1,73,736 5 0	44,001 2 0	15,997 3 0	337 7 0	40,862 5 0	...	2,74,934 6 0	92,550 3 0	3,67,484 9 0	12	183 8 0
Do.	C ...	698	98,766 5 0	29,402 5 0	3,430 15 0	1,239 0 0	26,765 1 0	...	1,59,603 10 0	57,202 8 0	2,16,806 2 0	8	122 12 0
Do.	D ...	796	1,30,289 9 0	40,823 4 0	14,749 3 0	188 6 0	37,778 6 0	...	2,23,828 12 0	83,636 13 0	3,07,465 9 0	21	570 0 0
Do.	E ...	689	1,00,491 10 0	23,979 9 0	10,098 13 0	20 12 0	27,837 11 0	...	1,62,428 7 0	58,181 2 0	2,20,609 9 0	18	384 0 0
Do.	F ...	790	1,23,833 12 0	41,487 5 0	13,997 14 0	13 5 0	28,739 7 0	...	2,08,071 11 0	1,00,807 8 0	3,08,879 3 0	7	171 0 0
Do.	G ...	1630	4,36,488 6 0	33,474 6 0	39,878 11 0	90 15 0	1,13,924 3 6	339 12 0	6,24,196 5 6	2,62,687 14 0	8,86,884 3 6	10	139 12 0
	Total ...	7,915	12,69,255 8 6	2,62,160 0 0	5,95,663 15 0	2,573 8 0	3,33,686 5 6	17,890 14 0	24,81,230 3 0	8,05,110 0 0	32,86,340 3 0	344	10,280 12 0
	Grand Total	10,005	14,93,924 0 11	3,23,092 0 0	6,22,450 14 0	2,928 11 0	4,02,978 0 6	27,468 5 0	28,72,841 15 5	9,61,848 13 0	38,34,690 12 5	344	10,280 12 0

12,026	Tax on Vehicles and Animals	...	3,09,067 6 0
344	Meter hire bills	...	10,280 12 0
18	Street No. Plates	...	26 4 0
474	Additional General Tax	...	27,935 15 0
	Amount due from Government in lieu of the General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1944-45	...	3,13,090 7 0
	Urban Immoveable Property Tax.	...	9,61,848 13 0
Total ... 22,867			44,95,091 8 5

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1945.

Ward.	1938-39		1939-40		1940-41		1941-42		1942-43		1943-44		1944-45	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A	...	...	...	...	4	110 0 0	35	1,048 5 0	323	7,691 3 0	923	24,154 4 0	3,162	79,479 6 0
B	...	...	...	...	2	65 0 0	4	81 11 0	207	6,202 12 0	350	9,661 5 0	1,048	29,541 14 0
C	...	...	...	...	9	265 0 0	6	235 0 0	93	2,610 11 0	129	3,129 11 0	337	8,433 11 0
D	...	...	...	...	1	25 0 0	8	143 11 0	269	6,393 13 0	482	11,363 11 0	1,303	32,522 1 0
E	...	...	...	...	1	8 0 0	5	170 0 0	273	7,997 12 0	447	11,679 5 0	1,064	27,682 4 0
F	...	...	...	...	...	...	4	155 0 0	142	4,190 11 0	251	6,515 4 0	717	18,165 1 0
G	3	31 11 0	4	66 11 0	1	20 0 0	3	58 0 0	47	1,131 5 0	95	2,120 10 0	274	5,917 11 0
Total ...	3	31 11 0	4	66 11 0	18	493 0 0	65	1,891 11 0	1,354	36,218 3 0	2,677	68,624 2 0	7,905	2,01,742 0 0

STATEMENT C.

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1945.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV.		A.G.T. XV.		Street No. Plate.	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	...	...	...	...		...	...	...	2	229 5 0	1	4 10 0	...	...	...	...	1	0 12 0	...	...	1	1 4 0
G.P.R....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Trust ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	4	6 0 0
B ...	40	2,007 0 0	5	60 13 0	26	97 6 0	3	28 9 0	45	1,802 14 0	...	...	12	334 8 0	1	155 6 0	...	...	...	...	...	...
C ...	11	725 10 0	...	...	...	...	...	...	27	5,389 2 0	14	76 12 0	5	23 11 0	3	134 7 0	1	0 4 0	...	...	1	1 8 0
D ...	30	2,853 14 0	...	...	...	...	...	...	35	9,926 0 0	...	...	4	88 15 0	...	...	...	...	1	29 6 0	8	10 0 0
E ...	35	122 6 0	...	...	...	...	...	...	63	1,154 0 0	...	...	6	82 8 0	1	5 0 0	...	...	...	...	4	7 8 0
F ...	13	195 14 0	...	...	...	...	...	...	12	662 8 0	...	...	9	103 12 0	...	...	5	1 0 0	...	...	...	...
G ...	10	185 10 0	...	...	...	...	...	...	28	914 5 0	...	...	25	539 12 0	...	...	...	...	...	...	...	...
Total ...	139	6,090 6 0	5	60 13 0	26	97 6 0	3	28 9 0	212	20,078 2 0	15	81 6 0	61	1,173 2 0	5	294 13 0	7	2 0 0	1	29 6 0	18	26 4 0

BOMBAY MUNICIPALITY

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1945-46.

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OF THE
ROYAL ASIATIC SOCIETY.
TOWN HALL, BOMBAY.

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. MCA 1761 I of 1946-1947.

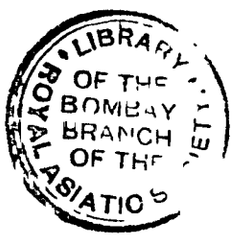
Bombay, 10th October 1946.

FROM

R. C. MEHTA, Esq., F.S.A.A., F.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.



To

THE MUNICIPAL SECRETARY,

BOMBAY.

Sir,

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1945-46 for submission to the Standing Committee and the Corporation.

I have the honour to be,

Sir,

Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the Year 1945-46.

Prefatory Remarks.

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938), the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1946; that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee; their Capital Accounts, Accounts of the Sinking and Special Funds, Debts, Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor, his Deputy and his staff have kept themselves busy continuously throughout the year, test-auditing the accounts of the Corporation and the result has been embodied in this Report. It may, however, be observed that the difficulty of filling up the posts due to non-availability of candidates with necessary qualifications on the present grades continued this year too and the different Audit Sections had to carry on work without necessary complement of staff. It has accordingly not been possible to bring audit to the laid down percentage. The conditions of recruitment having been since modified (Standing Committee Resolution No. 919, dated 11th September 1946) it is hoped that we will soon be in a position to appoint all the sanctioned staff.

This audit report is divided into two parts; (1) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schdule I, Division A, summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the method and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I, Division B, contains statements of receipts and payments and the balances of Revenue and Capital accounts indicating the final position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvement Schemes Accounts, Advances and Investments, Loans contracted and cash and securities on account of various funds. Appendices A and B are attached to Schedule I, showing the charges met from the Municipal Commissioner's discretional contingencies and balances of stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Municipal Chief Auditor's general remarks on the result of the audit of the accounts may shortly be recapitulated as under:—

MUNICIPAL ACCOUNTS.

Expenditure.

With reference to the internal control of the Accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made etc., the Municipal Chief Auditor remarked last year that the control of the Accounts Department over incurrence of expenditure, adjustments of accounts and watching of budget grants in the departments should be more searching and strict, though not inconsiderate. In this respect no change for better is noticed.

It still appears from the bills received in audit that submission of contractors' and other bills by the Departments to the Accounts Department takes an unduly long time which in some cases extends to several months. In addition, bills are often found going to and fro between the Accounts Department and the Departments for errors, omissions and corrections which puts off payments several months after the supplies are made or works done. This creates an undesirable impression that due to irregularity of payment the dealers have to lock up their capital unduly for a long time and it has the tendency of deterring them from coming forward to complete for the Municipal works resulting in an unaccountable loss to the Municipal Revenue. The routine should be so arranged as to ensure speedy and regular payments of the bills of private parties to gain their confidence.

The Municipal Chief Auditor has had occasions to pronounce the items of expenditure as not legally incurred or not falling within the rules and regulations made in that behalf by the Corporation, so as to require their refund to the Municipal Fund and yet the authorities concerned, tried to justify the payments made by offering arguments instead of taking the necessary action for regularising the matters. To quote an instance in the case of the City Engineer, Mr. N. V. Modak, who undertook private jobs and received remuneration from the private parties while on active municipal service, audit pronounced an opinion that Mr. Modak could not legally attend to private work and receive remuneration. The authorities, however, argued in a variety of ways to justify the action and ultimately on audit insistence the case was referred to the Municipal Solicitors who agreed with the opinion of the Municipal Chief Auditor that Mr. Modak's acceptance of outside work and remuneration therefor was irregular. As it involved irregular payment of salary and allowances to Mr. Modak for the days he was not on the Municipal duty and also involved a breach of the condition of his appointment as per provision of Section 74 of the Act the Municipal Commissioner was requested to regularise it by granting Mr. Modak leave under the Municiapl Service Regulations under Section 81 of the Act and by adjusting his salary and allowances for that period as required by Note 3 to Regulation 81 of the Municipal Service Regulations. Although over a year has passed no action is taken in the matter by the Commissioner to recoup to the Municipal Fund the excess pay and allowances paid to Mr. Modak for the period. Similar is the experience with the Schools Committee. In the light of this experience, the Municipal Chief Auditor is strongly of opinion that audit should be invested with due powers of surcharge or charge in the case of expenditure not legally incurred and paid out of the Municipal Funds, subject to the aggrieved parties' rights of applying to the Standing Committee and the Corporation wherever they are not satisfied with his ruling.

This year too although the annual accounts signed by the Commissioner and the Chief Accountant were submitted to the Municipal Chief Auditor for final audit, in several cases the registers were not closed and totalled with the result that audit had to call upon the Chief Accountant's staff to do the needful afterwards. This state of affairs should not be carried on by the Accounts Department in such an irresponsible way. In future the Chief Accountant will please see that all books are duly completed and balanced before submission to audit so that much of the time wasted by both the Departments may be saved and the annual audit report may not be unnecessarily delayed.

Budget and Accounts.

(2) Revised Estimates:—The original budget is framed about six months before the beginning of the financial year. The Revised Estimates are prepared during the course of the year on the basis of actuals of the first eight months and are supposed to be more accurate so as to give almost the correct closing balance for the year. This closing balance is the opening balance for the next year's Budget and therefore the expenditure during the remaining four months of the year should be restricted to the revised estimates. But the Departments at present go on expending the money to the limit of the original grants. Thus the control which the revised estimate is meant to exercise is loose if not absent, with the result that the opening balance of the next year's budget stands as uncertain as before. It is, therefore, necessary that the revised estimates to be of the use they are intended for, should be strictly adhered to and they should not be allowed to be varied by the Departments ,without the special sanction of the Commissioner, who would be in a position to assess the justification of the proposed variations.

(3) Accounting:—Attention has been repeatedly drawn in all the previous audit reports, beginning from 1938-39 to the urgent necessity of the present system of account-keeping being overhauled and brought upto the present day requirements. The system was designed years ago, since when the finances of the Municipality have considerably expanded and the accounts have become more complicated and as a consequence its continuance with the changes here and there in an haphazard way has the tendency of diminishing the efficiency, accuracy and speed in the accounts and control over the expenditure. This will be quite clear from the fact that in spite of the annual additions to the staff no improvement is yet found for quick despatch of work in the Accounts Department and the demand to add more and more to the staff remains insatiable without any apparent benefit. In the circumstances the matter requires to be promptly looked into in the interest of economy, simplification and expeditious disposal of work that is daily growing in volume and in complexity, by scraping the present over centralised accounting system and by removing obsolete and unnecessary methods and routines.

(4) Accounts Code:—There is also no Accounts Code laying down the rules and regulations for a proper, clear and scientific accounting. Necessity for such a code cannot be overemphasised for such a vast organization like the Bombay Municipal Corporation. Attention has been drawn in the Municipal Chief Auditor's previous reports to this defect but no steps have so far been taken to remedy it.

Stores Purchase.

Articles of usual annual requirements are scheduled and contracted for by the Controller of Stores. The Engineering Department also prepares a petty works schedule for which separate contracts are entered into by that Department. It has been observed that many of the items appear in the Schedules of the Controller of Stores as well as of the Engineering Department at varying rates. The Controller of Stores being the only authorised agent of the Corporation to purchase and supply all articles of usual requirements to the Municipal Departments, the Engineering Department should not enter into separate contracts for its requirements.

In order to have a proper check and control over the accounts of cash, stores and materials and to facilitate tracing of responsibility in cases of defaults, the Commissioner was requested four years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all the Departments in respect of these matters and he has given orders accordingly to the Departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

Re:—*Rs. 476 lakhs C.I.T. Loan.*

The interest payable to Government on the different portions of the advance of Rs. 476 lakhs taken from them by the late Improvement Trust by issue of $4\frac{1}{2}$ per cent., debentures of equivalent amounts as security ranges from $4\frac{3}{4}$ per cent., to $5\frac{1}{2}$ per cent. The amount of the advance is being repaid by annual instalments fixed upto 31st March 1956. It was, therefore, suggested to the Commissioner that it was worthwhile requesting Government to receive early repayment of the whole balance of the advance when Government were borrowing on a large scale for war purposes. The suggestion however, was not adopted as according to the Commissioner he could not approach the Government as there was an agreement to repay it by 1956. It needs no particular mention that the Government of India themselves are economising a great deal in their debt charges taking advantage of the present favourable money market by conversion of different loans which were considered to be interminable by issue of fresh loans at lower rates. In the circumstances the Municipal Chief Auditor believes that the suggestion is worth trying for even now.

If Government agree to consider the request of the Municipality favourably, the repayment can be easily financed by raising a loan at a cheap rate of interest of about $2\frac{3}{4}$ per cent., and the saving accruing to the Municipal Fund would in that case be in the neighbourhood of Rs. 12 lakhs.

Liabilities and Assets.

The property and assets under Loan Funds as shown at the original cost in Appendix No. 8 are being replaced from time to time or disposed of as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the value for those assets which have been scrapped or disposed of and are no longer in existence.

In the schedule of assets also are included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore it cannot be said that the Municipality is holding assets to this extent. Such items may be shown in the Balance Sheet under a separate head. This suggestion is being repeated from year to year but still remains unattended to.

Municipal Properties.

It was pointed out very often and especially in the last year's audit report that a revaluation of the properties on hand with the several Municipal Departments was necessary. Following this suggestion after years of insistence by the Corporation an inventory of Municipal properties in and outside the City excepting the properties in charge of the Estate Agent and Land Manager's Department, has been submitted by the Commissioner to the Corporation. The Commissioner promised further report on properties in charge of the Estate Agent and Land Manager's Department after the statements showing the financial results of Ex-trust and Municipal Land Development Schemes undertaken by the Corporation during the last 25 years (vide Corporation Resolution No. 1074 of 19-2-1942) were completed. Report is still not received.

Plant and Machinery.

No statements of plant and machinery for the year ending 31st March 1946, duly verified by the Chief Accountant have been submitted for audit along with the accounts for the year and therefore the figures on account of machinery shown as an asset in the Balance Sheet cannot be vouchsafed without certificates of existence of the plant and machinery.

The desirability of bringing all plant and machinery from whatever source purchased on the records after due verification by the Chief Accountant though pointed out often has not yet reached a satisfactory stage of completion.

Income.

(1) *Miscellaneous Departments*:—Attention is invited to the remarks made in the previous year's audit reports under this head, regarding the revenues of the Corporation; about lack of co-ordination of the departmental accounts with those kept by the Chief Accountant and want of the internal check of the Accounts Department over the Departmental Accounts, required as a safeguard against possible omissions and irregularities in the accounts. Inspite of revision of the forms of registers of the Miscellaneous Departments from 1-4-1939, and the strengthening of the staff of the Chief Accountant's Office the departments are found slow to adapt themselves to the new system of balancing and closing of departmental books and of certifying the accounts quarterly by means of returns. The improvement of the position of returns which was marked in the year 1943-44 has deteriorated since then, as will be seen from the position of the returns for the year 1945-46 given elsewhere in this report, which shows that most of the Departments are in arrears for a quarter or two while no return has yet been received from the Superintendent of Markets, Legal Assistant, Mechanical Engineer, Assistant Health Officers, A and B Wards, E Ward, F and G Wards, Supervisor of Conservancy, City Engineer (Building Branch), Malaria Department and Gardens Department.

It is also observed that unduly long time is taken by the Accounts Department in verifying and submitting to audit the returns which are sent by the Departments after a good deal of delay. Moreover, it is observed that the work of checking the Registers in the Departments by the Chief Accountant's staff is either incomplete or entirely omitted in some cases. Instances of such omissions or neglect by the internal checking staff were brought to the notice of the Municipal Commissioner.

In the circumstances, the accounts of the Miscellaneous revenue shown in Appendix 3 of the Chief Accountant's accounts lack the requirement of yearly reconciliation with the Demand Registers of the Departments as on 31 3-1946.

(2) *Assessment and Collection Department:*—As regards the Assessment Department, long delay occurring in taking legal action in respect of taxes left unrecovered after service of demand notices or execution of warrants had proved a sort of encouragement to the habitual defaulters. Constant audit criticism on this point had led the Commissioner to increase the staff of the Legal Assistant's Department for expediting cases of rates and taxes. As a result during the year under report, it appears that the Assessor and Collector obtained sanction of the Standing Committee in a lot of about 30 cases of bills outstanding for the year 1944-45 or previous years immediately after the close of the year and put all the cases of unpaid bills into the hands of the Legal Assistant, who issued notices threatening the parties with immediate court action on their failure to pay up the bills. At the time of writing this report, out of these 30 cases, in 18 cases bills have been paid; 5 cases are pending with the Department in the expectation of receiving payments; in one case suit has been filed and 6 cases are pending for legal action. Similarly out of 100 cases sanctioned by the Standing Committee in 1944-45 for filing suits, bills in 66 cases were already paid as reported last year leaving a balance of 34 cases to be accounted for. Out of these 34 cases, in 23 cases bills have now been paid, 2 cases are pending with the Department in the expectation of receiving payments, in 5 cases suits have been filed and 4 cases are now pending for legal action. Amongst the bills outstanding on 31st March 1946, about 1,400 bills were found enfaced for part payment of water or other taxes and some of these were even enfaced for part payments more than once. These part payments are very often resorted to by the rate-payers to delay action. The Department should, therefore, take steps to discourage these methods of postponements of legal action by taking swift action as far as practicable in such cases.

The figures of collections in the Assessment Bill Books as reconciled by the Chief Accountant with his books are not received by audit and hence the figures of receipts from taxes shown in Appendix No. 3 of the Chief Accountant's accounts lack the requirement of yearly reconciliation with the demand registers (Bill Books) of the Department as on 31st March 1946. In this connection this year too I repeat the observation that no auditor can agree to allow the accounts to remain open and unreconciled at the end of the year on which the accuracy of the year's working can be tested and on which rests the safety of non-interference in future with the accounts of such a vast organization as the Bombay Municipal Corporation.

Arrears of Rates and Taxes:—The demand and outstandings in respect of property taxes and tax on vehicles and animals were Rs. 422.11 lakhs and Rs. 44.37 lakhs, the percentage of outstandings to the demand being 10.36 and 13.93 respectively. The Assessor and Collector has worked out the figures of demand at Rs. 287.09 lakhs and outstanding at Rs. 13.50 lakhs from private parties (excluding Mills) showing the percentage of outstandings to demand at 4.7. The figure of outstandings of Rs. 13.50 lakhs does not include sums of Rs. 1.45 lakhs and .09 lakh involved in suits filed and to be filed and the claims payable by the Court Receiver and the Official Assignee, Rs. 2.75 lakhs disputed by the Royal Western India Turf Club in respect of the Race Course, Rs. 8.24 lakhs disputed by the Garrison Engineer (Hirings) and other officers of the Government of India in respect of buildings and lands requisitioned and structures erected by Government for emergency purposes on land leased and occupied by the Military, Rs. .7 lakh held in deposit pending settlement of disputes, Rs. .07 lakh outstanding against other Municipal Departments and Rs. 8.36 lakhs for amended bills issued in March 1946.

Estate Agent's Department: In the case of the Estate Agent's Department, regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees, etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by issue of audit notes; i.e. calling for explanations for delays in taking action against defaulters in the initial stages for the large amounts of arrears against some individual tenants in respect of vacated tenancies. These arrears of vacated tenancies do not yet seem to receive as much attention of the departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the departmental officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrence of the cases pointed out by audit and as a result, some improvement has been noticed in that respect.

The reconciliation of figures of collections as shown in the Demand registers of the Estate Agent's Department with those of the Chief Accountant's registers for the year ending 1945-46 has not been received duly verified by the Chief Accountant and therefore the figures shown in Appendix No. 23 of the Chief Accountant's Abstract of Accounts also lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

Arrears of Rent: The percentages of arrears to demand in respect of permanent and temporary lettings of ex-trust properties were 10.63 and 35.74 respectively. The write-off in connection with the temporary revenue was Rs. .22 lakh against the gross demand of Rs. 37.89 lakhs.

Permanent Revenue:—The arrears of the tenants for three quarters and over, which were Rs. 4.26 lakhs on 31st March 1943, Rs. 3.37 lakhs on 31st March 1944 and Rs. 3.53 lakhs on 31st March 1945, were Rs. 3.94 lakhs at the end of the year under report.

Temporary Revenue:—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears.

Schools Committee's Accounts.

(1) The irregularities in the Committee's Accounts are of the following kinds:—
  (i) Clerical error of omissions and commission.
  (ii) Technical breaches of rules and regulations.
  (iii) Measures involving waste or non-observance of propriety in expenditure and consequent waste.

With reference to the above items it may be observed that internal check and control in the Accounts Section of the Schools Committee's Office is still not up to the mark and corrective measures for neglects and defaults are inadequate. However, due to the persistent efforts made by audit by issue of audit notes and instructions and occasional reports to the Standing Committee, some improvement is noticed and the irregula-

rities are being brought under some control. Still, however, there is a general apathy to carry out the wholesome instructions and suggestions made by Audit regarding the prescribed procedure of accounting followed by other sister departments of the Municipality.

(2) *Budget*:—The budget of the Schools Committee is not being prepared and presented in the manner to facilitate control over the details of expenditure like salaries, allowances and such other items according to the usual budget methods. It is also not on the standard adopted and followed by all the other sister departments. Although suggestion for the standardisation of the budget and preparation of the Establishment Schedule on the lines adopted for the Commissioner's Departments are being continually made in the Audit Reports every year, nothing has been done uptil now

(3) *Cost of Primary Education*: The cost of Primary Education in the City which was Rs. 39.69 lakhs in 1939-40, increased to Rs.63.10 in 1945-46 and budgeted expenditure for the year 1946-47 is Rs. 67.02. These figures are exclusive of expenditure for supply of milk to undernourished children but include the expenditure on the Schools Clinics and the expenditure out of the receipts of the Schools Committee. The cost per pupil in 1939-40 was Rs. 35.69 which has reached a figure of Rs. 52.27 in 1945-46. This apparently extraordinary rise in expenditure during the last 6 years may be attributed to the following measures: (1) lowering down of the limit of pupils per teacher from 60 to 40; (2) opening of additional central schools; (3) abolition of percentage of trained teachers for the purpose of granting trained teachers' salaries and increasing the staff of trained teachers; (4) grant of trained teachers' grades retrospectively to the staff with adjustment of salaries from the beginning of their service without their having rendered effective service as trained teachers during the period; (5) bringing of the greater number of children to schools under the compulsory education drive; (6) payment of dearness allowances and (7) opening of Hindustani Training Classes.

This expenditure on the objects for improvement of education cannot be grudged, but the examination of accounts shows the following items of expenditure of an avoidable nature:

(1) In the calculation of the ratio of one teacher to 40 pupils (*a*) the special teachers who engage the classes in their special subjects during the school hours and (*b*) part time of the teachers (attached to the infant and first standard classes for three and quarter hours daily, under the two sessions system) devoted to the other classes are not taken into account, with the consequence that the teachers actually employed by the Schools Committee are in excess of the proportion approved by the Corporation.

(2) Special teachers who have to move about from school to school for teaching special subjects are not allotted schools in one zone only so as to save time and conveyance allowances payable to them. If a co-ordinated policy of allotting special teachers to particular schools in particular parts of Bombay with due regard to their location is adopted, it would save a good deal of time and number of such teachers and also the conveyance allowances.

(3) The policy of giving trained teachers' grades retrospectively with adjustment of salaries from the beginning of their service (from the day of their acquiring the necessary qualifications) without their having rendered service as trained teachers during that period may be considered too liberal.

(4) Abolition of the system of applying cuts to grants-in-aid to aided schools.

(5) Monthly contingent requirements of schools not made through the central agency.

These items involve extra cost on account of (*a*) teachers in excess of the fixed ratio (*b*) additional salaries on account of adjustment of salaries to trained teachers and consequent extra provident fund contributions thereon. Although the introduction of new measures for improvement may be desirable, their application should not be regardless of reasonable economic principles.

(4) *Scope of "Primary Education" and activities other than "Primary Education"*: The Corporation by their Resolution No. 641 of 7th October 1943 adopted the opinion of the Counsel Mr. B. J. Desai regarding the scope of "Primary Education", which in his opinion was limited to certain primary vernacular standards only. This gave rise to the question whether the Schools Committee were competent to incur expenditure on items other than those covered by the term "Primary Education" as interpreted by the Counsel. The Corporation under their resolution No. 901 of 13-1-1944 authorised the Municipal Commissioner to continue to make payment of the monthly contribution to the Schools Committee on the existing basis pending examination by the said Committee of the case in which expenditure was being incurred in contravention of the legal opinion of the Counsel Mr. B. J. Desai and discontinuance by them of such expenditure and the Standing Committee under their resolution No. 1718 of 16 2-1944 intimated the Municipal Chief Auditor with reference to his letter No. M.C.A. 416,II of 17-1-1944 that the expenditure may be permitted in audit, pending disposal by the Corporation of the report asked by them from the Schools Committee under the aforesaid Corporation resolution. The Schools Committee's report has since been submitted to the Corporation who have under their resolution No. 809 of 10-1-1946 referred the same to the Commissioner for remarks through the Law, Revenue and General Purposes Committee.

(5) *Verification of Stock*:—In compliance with the Corporation Resolution No. 259 of 28-6-1943, the Schools Committee reported to the Corporation that the various defects and irregularities in the accounts of the stock of materials, furniture, etc., reported by the Test Audit Officer would be set right and suggestions made by him would be carried out. Nothing however, has since been done to put the stock verification work on a systematic basis, although nearly two years have since elapsed.

Delay in Replies to Audit Notes.

Audit objection notes addressed to the Departments have to be disposed of by them promptly as required by Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules approved under Corporation Resolution No. 4787, dated 4th September, 1939. However, it may be observed that 954 audit notes covering a period from 1939-40 to-date are outstanding. This delay entails a heavy work of issuing periodical reminders and watching their progress on the staff of this Office. Some of the Departments after receiving several reminders from this Office ask for copies of audit notes on the ground that the originals were lost or misplaced; some report that the papers required for replying to the audit notes are not traceable, misplaced, or destroyed and suggest that replies to audit notes may not be insisted upon. Time is the essential factor in audit examination and disposal of the objections. Too much emphasis cannot therefore, be laid on the necessity of quick disposal of replies to audit notes on the part of the Departmental Heads.

Financial Position of the Corporation

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal Proper) was Rs. 487.37 as detailed in the margin against the Budget Estimate of Rs. 447.09 Revised Estimate of Rs. 468.15 and previous year's actuals Rs. 429.78. The realisation was thus better by Rs. 40.28 as compared with the original Budget Estimate and more by Rs. 57.59 as compared with the actuals of previous year.

Actual revenue realised from the following important sources:—

		Rs.
1.	General Tax. ..	183.62
2.	Water Tax. ..	126.79
3.	Halalkhore Tax. ..	46.58
4.	Fire Tax. ..	7.68
5.	Wheel Tax. ..	18.75
6.	Licences for trades, land conveyance and music. ..	2.75
7.	Town Duties. ..	20.96
8.	Return from property and miscellaneous. ..	80.24
	Total. ..	487.37

Similarly, the actual expenditure charged to revenue was Rs. 493.13 as shown in details in the margin as against the Budget Estimate of Rs. 496.73 and previous year's actuals of Rs. 412.95. It thus resulted less by Rs. 3.60 than the budgeted amount and exceeded the previous year's actuals by Rs. 80.18. The year's working left a deficit of Rs. 5.76 as against the budgeted deficit of Rs. 49.64.

Actual expenditure charged to Revenue under the following important heads:—

		Rs.
1.	General Superintendence. ..	5.59
2.	Assessment and Collection ..	8.07
3.	Fire Brigade ..	3.96
4.	Public Works (Engineering) ..	77.91
5.	Public Health ..	37.34
6.	Plague Expenses ..	.93
7.	Education ..	61.20
8.	Medical Relief ..	28.35
9.	Public Gardens ..	2.30
10.	General Stores ..	.84
11.	Pensions, Gratuities and Provident Fund ..	14.78
12.	Contribution to Improvement Schemes.	28.36
13.	Miscellaneous ..	54.79
14.	Debt ..	124.41
15.	Measures for Civil Defence ..	1.43
16.	Grain Compensation ..	42.87
	Total ..	493.13

The Revenue Fund at the end of the year stood at Rs. 95.58 and after deducting the amount of Rs 35.37 used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 60.20. This balance at the beginning of the year was Rs. 69.08 and it stood at Rs 60.20 at the close of the year showing a decrease of Rs. 8.88. A reference to the statement of Assets and Liabilities of the Revenue Fund will show that actual amount of cash and securities held in the Revenue Fund Account was Rs 291.70 (inclusive of Rs. 173.12 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 100.96 as detailed in the margin as against the Budget Estimate of Rs. 101.05 the revised estimate of Rs. 98.57. and the previous year's actuals of Rs. 102.00. The realisation was thus less by Rs. .09 as compared with the original Budget Estimate and by Rs. 1.04 as compared with the actuals of the previous year. The actual expenditure was Rs. 102.05 as shown in the margin as against Budget Estimate of Rs. 103.02 Revised Estimate of Rs. 107.83 and previous year's actuals of Rs. 99.53. It was thus less by Rs. .97 than the original estimate and was more by Rs. 2.52 than the actuals of the previous year. This gave a deficit of Rs. 1.09 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 6.15 on account of outstanding charges.

Actual income of Improvement Schemes Account realised from the following main sources:—

		Rs.
1.	Rent and other proceeds of properties ..	60.27
2.	Contribution from Municipal Corporation ..	28.36
3.	Receipts on account of tobacco duty ..	7.52
4.	Interest and Profits on investments ..	4.34
5.	Miscellaneous Receipts ..	.47
	Total ..	100.96

Total expenditure charged to Improvements Schemes General Account under the following important heads:—

			Rs.
A.—Maintenance of Properties and Streets ..			24.41
B. Cost of Management and Establishment	10.72..		
C.—Proportionate cost on account of Municipal supervision	.87..		
	11.59		
Less—Charged to General Account and Capital Account	11.59..		
Debt Charges			77.64
Total ..			102.05

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 60.42 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 60.42 leaving a balance of Rs. .20 on 31st March 1946.

Income:—	Rs.
Contribution from Municipal General Fund ..	60.07
Fees ..	.26
Interest on investments of Trust and Other Funds ..	.06
Miscellaneous ..	.03
Total ..	60.42

It might be mentioned here that the expenditure of Rs. 60.42 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection and supply of milk to undernourished needy children attending Municipal Schools. Adding this, the total expenditure on the Primary Education of the City works out to Rs. 64.61. Against this the amount of contribution received from Government during the year was Rs. 9.72.

Expenditure	Rs.
Administration of *Municipal Schools* ..	57.01
Repairs to *Municipal School Buildings* ..	0.12
Grant-in-Aid to Schools ..	3.29
..	60.42.

The Capital Account (Municipal) started with an opening balance of Rs. 7.61. Additional funds made available during the year were Rs. 23.49 by raising new loans to the extent of Rs. 22.00 and by taking an advance of Rs. 1.49 from the Municipal Special Funds. The actual expenditure booked was Rs. 22.38 against the Revised Estimate of Rs. 58.39 leaving an unspent balance of Rs. 8.72. The actuals fell short of the Revised Estimate by 66 per cent. This shows a large disparity between the estimated and actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly, the Capital Account (Improvements) started with an opening balance of Rs. 130.60. Receipts during the year amounted to Rs. 28.89. Against this, the actual expenditure was (Rs. 3.72 on schemes, Rs. .55 for repayment of loans and Rs. 1.09 deficit in General Account) Rs. 5.36. The balance left in the Capital Funds at the end of the year was thus Rs. 154.13.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1945 were Rs. 386.03. Credits during the year amounted to Rs. 108.24. The debits booked during the year amounted to Rs. 37.92, leaving a total amount of Rs. 456.35 in the Funds of which Rs. 401.35 were invested in cash and securities and Rs. 55.00 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the report. Net accretions of the Special Funds during the year were Rs. 70.32.

The balances of the Sinking Funds, Municipal and Improvement Schemes Accounts, amounted to Rs. 339.88 and Rs. 370.01 respectively at the book value of securities.

There was a net decrease in the loan liabilities under the Municipal Account and Improvements Account during the year by Rs. 84.15 and Rs. 5.98 respectively. Excluding the balances and liabilities of the Special Funds which have been shown in details in the body of the report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1,295.03 for Municipal Account (Proper) and Rs. 1,577.68 for Improvements Account, total Rs. 2,872.71. Against this, the Sinking Fund accumulations at the Book value of securities amounted to Rs. 339.88 in the Municipal Account and Rs. 370.01 in the Improvements Account, total Rs. 709.89. The percentages of debt charges on total expenditure of the Municipal Account and the Improvement Schemes Account are 25.23 and 75.78 respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1946 held in Office Treasury, Banks and Public Securities amounted to Rs. 15,66,69,430-13-1.

The financial position of the Corporation for the year under review was not unsatisfactory and the resultant deficit of Rs. 5.76 lakhs was after providing Rs. 55 lakhs for Post War Reconstruction Fund, which is for all practical purposes, an item of Capital Outlay. However, with the termination of war and the advent of the popular Governments both in the Provinces and at the Centre the schemes for industrialisation of India are bound to be in the forefront of the programmes of the Government. Bombay being the centre of industry and commerce will have to face problems of finding adequate and decent housing accommodation, particularly for labour, expansion of water supply and other services and amenities of life. In addition, taking over of the B.E.S. and T. Company, Ltd., and the pending "Greater Bombay" Scheme will require large capital sums involving increased burden on the Revenue of the Corporation on account of sinking fund charges and of maintenance of works and services. Hence the need for adopting measures for substantial increase in revenues and simultaneously for effecting all possible economies in the administration by simplification of methods and routines of works was at no time greater than it is now.

MUNICIPAL OFFICES,
BOMBAY, 10*th October* 1946.

R. C. MEHTA,
Municipal Chief Auditor.

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of accounts:—

There are three main divisions of municipal accounts:—

I.—Municipal Accounts (Proper).
II.—Improvement Schemes Accounts.
III.—School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be subdivided into:—

A.—Revenue Account.
AI.—Suspense Account.
B.—Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into:—

(*i*) General Account.
(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year, such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further subdivided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of Accounts of the Corporation published in the Bombay Government Gazette from week to week.

THE ACCOUNTING SYSTEM.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this, the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3(0) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With the exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of —

(*a*) Hongkong and Shanghai Banking Corporation,
(*b*) The Chartered Bank of India, Australia and China, London,

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations, and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and his Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collection of Municipal dues from taxes, rents of buildings and lands, sale of rights, licence and other fees etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes,

payment of dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor Budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(c) Payments.

All bills of establishments, contingencies, works supplies, etc., received from the departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts not exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans of the Trust through Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, London.

(b) Daily Accounting.

The day to day transactions of receipts, payments and adjustments are introduced into the Main Accounts through Day Books. In case of expenditure, prior to passing bills for payment, they are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income, similar arrangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up. As regards Miscellaneous Advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(c) Weekly Accounts.

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee (vide Section 135(1).)

(d) Annual Accounts.

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(e) Nature of Audit Check Applied.

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

Municipal Accounts.

Expenditure.

The transactions covered by audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the Head "Advances", a separate report is being submitted as usual.

Some of the typical errors and omissions noticed during the year under report are summarised as under:—

(1) *Advance payments to the Solicitors, Government and other Bodies pending receipt of detailed accounts.*

Amounts are being advanced from time to time to Municipal Solicitors, Government and other public bodies for attending to Court matters or for carrying out works on behalf of the Corporation by direct debit to the expenditure grants provided for such purposes. Such advance payments are entered in the Registers known as objection books maintained by the Chief Accountant's Office to watch their clearance on receipt of detailed accounts.

M.C.A. 4169/1 16-2-1944
M.C.A. 604/1 8-3-1945
and
M.C.A. 1312/1 6-3-1946

Out of the 100 cases of outstanding advances reported last year only 9 cases were cleared during the year under report. 49 more items relating to the year 1943-44 have since fallen in arrears for over two years. Thus the sums advanced upto 31-3-1944 in 140 cases to the extent of Rs. 90,533-15-8 remained unaccounted for on 31-3-1946. Some of these items relate to the years as far back as 1932-33. Attention of the Chief Accountant has often been drawn to the necessity of early clearance of these accounts.

(2) Excess or wrong payments and errors and omissions.
Amounts of excess or wrong payments, omitted recoveries or short remittances recovered at the instance of audit:—

Serial No.	Case No. and Date.	Amount Rs.	Particulars.
1.	M.C.A. 826 I of 3-7-1945 ..	0 2 0	Excess Provident Fund Deduction.
2.	M.C.A. 781 I of 7-6-1945 ..	0 8 0	do
3.	M.C.A. 671/I of 1-6-1945 ..	0 7 0	do
4.	M.C.A. 870 I of 25-7-1945 ..	0 14 0	do
5.	M.C.A. 950 I of 12-9-1945 ..	0 8 0	do
6.	M.C.A. 900/I of 3-8-1945 ..	1 6 0	do
7.	M.C.A. 957/I of 17-9-1945 ..	0 11 0	do
8.	M.C.A. 975/I of 22-9-1945 ..	0 9 0	do
9.	M.C.A. 1105/I of 29-11-1945 ..	0 8 0	do
10.	M.C.A. 969 I of 28-9-1945 ..	0 10 0	do
11.	M.C.A. 988 I of 10-10-1945 ..	0 8 0	do
12.	M.C.A. 1241/I of 25-1-1946 ..	1 0 0	do
13.	M.C.A. 1242/I of 25-1-1946 ..	1 13 0	do
14.	M.C.A. 899/I of 3-8-1945 ..	1 2 0	do
15.	M.C.A. 737/I of 18-5-1945 ..	0 4 6	short interest allowed by a Bank on current account balance., and wrong debit given by a Bank on Current Account.
	M.C.A. 737/I of 18-5-1945 ..	2 0 0	
16	M.C.A. 632/I of 28-4-1945 ..	1 0 0	Excess payment to a firm due to miscalculation.
17	M.C.A. 1042/I of 27-10-1945 ..	0 15 0	Excess refund of contribution to Fidelity Guarantee insurance Fund to an employee.
18	M.C.A. 989/I of 10-10-1945 ..	0 4 0	Excess payment of dearness allowance.
	do ..	1 14 0	Excess provident fund deductions.
19	M.C.A. 790/I of 12-6-1945 ..	51 7 0	Excess leave salary allowed to an employee.
20	M.C.A. 1334/I of 20-3-1946 ..	1 0 0	Excess payment to Bombay Gas Co., Ltd., due to miscalculation.
21	M.C.A. 1089/I of 21-11-1945 ..	1 7 0	Excess provident fund deductions.
22	M.C.A. 930/I of 29-8-1945 ..	3 8 0	Excess interest allowed on provident fund accounts.
23	M.C.A. 1280/I of 11-2-1946 ..	36 6 0	Excess payment to Bombay Chronicle Co., Ltd., on account of Advertisement Charges.
24	M.C.A. 1221/I of 9-2-1946 ..	48 6 0	do

(3) *Rules, Procedure, etc.*

M.C.A. 4167/I 12-2-1944 & M C A 12/I 8-4-1944

No reply has been received to audit note sent to the Commissioner to regularise the period of absence of Mr. Modak, Ex City Engineer by granting him leave under the Municipal Service Regulations for the days he was not on Municipal duty on account of his undertaking private works, and by adjusting his salary and allowances for the leave period.

M.C.A. 491/I 29-12-1945

Large sums of money amounting to several thousands of rupees for cash purchases from the markets used to lie for months in the office of the Controller of Stores due to non-availability of materials in the present market conditions. In this connection the audit suggestion, that the cheques may be cashed as and when the cash is actually required, is since being followed.

M.C.A. 670/I 31-5-1945

Recoveries made on account of loss of books from Public Libraries were found credited to the Budget grant for purchase of books. As this has the effect of inflating the grant it has been suggested that such recoveries should be taken on the receipts side under the head "Recoveries on account of loss of Library Books". The Chief Accountant's reply is awaited.

M.C.A. 776/I 6-6-1945

Certain articles such as flushing tanks, nahani traps, paint, rafters, etc., required for maintenance work were found to have been included both in the schedules of the Controller of Stores and of the City Engineer. The rates of the Stores Department being lesser, it was suggested that the City Engineer should put up his indents on the contractors for the Stores Department Schedule. It was further suggested that such common articles should not be included in the City Engineer's schedule henceforth. Reply is awaited.

M.C.A. 834/I 6-7-1945

A sum of Rs. 1,691-7-0 was found retrenched from the departmental bill issued by the Controller of Stores to the Cadell Road Maternity Home for want of sufficient balance in the Budget Grant. The Department explained that the amount was on account of cost of clothing indented for the Maternity Home in the month of June 1944 when sufficient balance was there in the grant. Actual supply was however, received from the Controller of Stores in the month of February 1945, when the grant was exhausted owing to other abnormal expenses due to high cost of other articles. The Municipal Commissioner has instructed the Departments to see in future that steps are taken in time to supplement the grants.

M.C.A. 962 I 24-9-1945

It was noticed that a sum of Rs. 14,690-12-0 on account of unpaid bills for 1944-45 in respect of establishment, labour, materials and repairs to machinery etc., was debited to the grants at the close of the year 1944-45 and held under deposit account for payments during 1945-46. The Chief Accountant has been asked to state the reasons for following this unusual procedure. Reply is awaited.

M.C.A. 1057 I 8-11-1945

Office Superintendent of the Health Department was on leave from 7-12-1944 up to 12-7-1945 and his further leave question was pending. He was however, being charged in the paysheets upto October 1945 at full pay and the charges were passed for payment by the Chief Accountant. A question was raised as to why the employee was charged at full rate when it was certain that he would not be entitled to full pay for the extended period of leave to be sanctioned, as it would exceed 8 months.

Similar was the case of a peon of the Health Department wherein although the peon's leave question was pending since 1-6-1945 he was being charged at full rate up to September 1945.

Attention of the Chief Accountant and the Executive Health Officer has been drawn to this sort of irregularities and they have been requested to see that in future charges are passed for payment only according to the nature of leave admissible.

M.C.A. 1125/I
11-12-1945

Special Municipal Contribution is payable to the employees on the basis of every year of active service as per the recorded facts. However, it was noticed that in the case of scavengering staff which was not amenable to service Regulations no proper record of leave etc., was maintained and the net service was arrived at on the assumption of one month's leave without pay for every year of service. This being not in order, the Chief Accountant was asked to regularise the matter by taking proper sanction. This has since been done. (Standing Committee Resolution No. 368 of 7-6-1946.)

M.C.A. 1286/I
16-2-1946

For occupation of rooms in the Pedder Market Chawl, Municipal peons were charged rent of Rs. 5 for large rooms and Rs. 3 for smaller rooms. This rent was increased to Rs. 5 and to Rs. 4 for large and small rooms respectively, when house rent allowance was sanctioned to peons in 1921-22.

However, on the increase of house rent allowance to peons etc., from Rs. 4 to Rs. 6 (vide Standing Committee Resolution No. 1572 of 29-12-1945) no corresponding increase has been made in the house rent chargeable to the peons occupying the quarters in question, with the result that these employees while they draw a house rent of Rs. 6 per month they pay only Rs. 4 or Rs. 5 for occupation of the rooms. This position appears to be untenable under the rule of propriety in expenditure. The Municipal Commissioner has, therefore, been requested to do the needful in the matter. Reply is awaited.

4 Internal Check.

M.C.A. 3798/I
28-7-1943

Reconciliation of unclaimed amounts on account of deposits from private parties, etc., credited to Revenue during 1944-45 was carried out by the Chief Accountant as mentioned in the last audit report. However, proper register was not found maintained. Attention of the Chief Accountant has been drawn to this.
Reply is awaited.

M.C.A. 32/I
19-4-1944

A good number of articles of stores purchased for the different departments were lying in the Central Stores unindented by the respective departments for years. A list of costly items was drawn out and the Controller of Stores was requested to state as to when and at whose instance they were purchased. From the information received, it appeared that the articles were purchased mostly for the Engineering Departments as back as 1927-28 and were lying idle in the Central Stores since then. The Controller of Stores has disposed of the articles after making necessary enquiries with the Departments.

To avoid unnecessary accumulation of such surplus articles and their deterioration by passing of time, it is suggested that articles remaining unused for over three years should be disposed of at the end of each year after making necessary inquiries with the consuming departments.

M.C.A. 534/I
25-1-1945

A test-check of the Hay Register kept at D Ward Conservancy Branch on 17-1-1945 showed that 7 bales of grass received on that day were not accounted for. It was explained that the grass was received by a muccadam, and other people concerned were not aware of its receipt. The certificates of weighment and correctness thereof were not signed by the Officer (Veterinary Overseer) for several days in the register. There was no proper balancing of grass received, issued, etc., and there was no agreement of figures shown in the Hay Register with the statement of grass received and issued The grass bills of the contractor passed for payment were not supported by any receipts issued to him by the Department at the time of delivery. The attention of the Executive Health Officer was drawn to this. The persons concerned were warned. Instructions were also issued that receipts should be passed to the contractor at the time of delivery of grass which should be submitted by him along with the grass bills.

M.C.A. 658/I
4-4-1945

Excess deductions towards non-contributory provident fund to the extent of Rs. 6-3-0 and Rs. 2-12-0 were found being made from month to month from the salaries of two employees in the Health Department. Explanation of departments is awaited.

M.C.A. 691/I
27-4-1945

Comparison of consumption of petrol by the Transport, Meat Van and Workshops lorries showed that consumption of petrol per mile by workshops lorries was much more than that of transport and meat van lorries. The consumption of 'C' oil was also 500 per cent, more at workshops than that of the transport and meat van lorries.

The Mechanical Engineer whose explanation was called for on 27-4-1945 replied on 13-4-1946 that the information called for could not be supplied as his office record was burnt in the riots of February 1946.

M.C.A. 911/I
6-8-1945

Annual expenditure incurred by the Corporation on purchase of medicine, stores, etc, for the K.E.M. Hospital and the G.S.M. College is about Rs. 4,20,000 and Rs. 34,000 respectively, the number of items covered by this expenditure being about 6000 in Hospital and 5000 in the College. In addition to this there are articles of equipments and instruments purchased out of Revenue and Capital Fund in the past.

These stores are handled by 4 different sections on the Hospital side and 5 on the college side and the valuable consumable and non-consumable store is kept at scattered places in the Hospital and College and even in staff quarters under different supervision.

Since their start in 1926 there has been a great increase in the work of these institutions and the various stores have grown many times their original size. The Municipal Commissioner has been requested to consider desirability of bringing the stores in centrally situated block accommodating all kinds of stores, in charge of an officer who may be designated as Superintendent of Stores. He should be a capable and properly qualified person authorised to put indents and issue the stores to different sections on requisitions. Increased cost on account of the new arrangement will be more than compensated by indirect savings or avoidance of possible loss or waste that may accrue under the present arrangements.

A.E. 675 of 31-7-1941,
E.H. 1585 of 14-11-1939,
S.R. » 4450 of 8-10-1941
AND
M.C.A. 1345/I of 27-3-1946,

A list of all the Municipal Offices or Branches with their locations showing persons working thereat by their designations who are required to handle cash, stores or account books was ordered to be prepared by the Municipal Commissioner at the instance of audit some 5 years back as stated in the last audit report. This list is not yet forthcoming.

(5) *Imprest Account.*

The amount of petty cash advances with the various Municipal Departments as on 31st March 1946 was Rs. 23,531-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking.

(*a*) *Miscellaneous Departments.*

During the year, in 32 cases surprise test-checks of the imprest accounts of various Departments were made, and irregularities noticed in the accounts were communicated to the Departments through the Commissioner. Defects of common nature are summarised as under:—

(i) Payments made without sanctions.
(ii) Payments made without obtaining proper discharge of the payees.
(iii) Necessary particulars of travelling not given in some conveyance bills.

Some instances of typical irregularities noticed, are given below:—

Malaria Department:—The procedure of entering vouchers in the contingent book on making payments was not strictly followed, and the Railway season tickets register was also not written upto date.

M.C.A. 871/V
25-7-1945

M.C.A. 893/V
2-8-1945

G. S. M. College.—Several paid vouchers were not booked for about 20 days.

Welfare Organizer's Office.—Besides pointing out errors and omissions in maintaining contingent account book, suggestions were made to adopt standard form of contingent book at different centres for avoiding duplication of writing the details and for observing uniformity at all the centres. Excess payments for tram fare for Rs. 9-4-0 were got recovered.

M.C.A. 273/V
25-8-1944

The menial workers employed at different Welfare Centres on Rs. 5 per month each were paid without the charges being recorded in a register of recurring charges, stationery, stores, etc., required for the Welfare Centres were purchased locally by the workers at different rates instead of being purchased at economical rates and distributed to the centres by the Head Office. News papers and periodicals were also purchased daily or weekly instead of being subscribed for yearly or half yearly. Reply to audit note in this connection is awaited.

M.C.A. 1183/V
11-1-1946

Market Department.—It was mentioned in the last audit report that as against 55 current railway season tickets an amount of Rs. 57 was shown as deposits with the railway companies in the contingent register and that a sum of Rs. 55 was found to have been advanced by the Head Clerk for meeting day to day expenses, out of his pocket. It was explained by the Superintendent of Markets that the difference of Rs. 2 in deposit was due to refunds of railway deposits not made over to office by the employees in due time. The amount was, however, recovered from them and disciplinary action taken against one, the other being dead. It was also explained that since the budget grant under the Head contingencies fell short, recoupment bill for the previous period was not passed till a transfer of grant was sanctioned and hence the Head Clerk had to spent from his pocket.

M.C.A. 664/V
10-4-1945

M.C.A. 1399/V
11-4-1946

Test check made on 8-3-1946 revealed the following irregularities.—

(*i*) Deposit for expired railway season ticket was not made over by a peon for about two months.
(*ii*) Season ticket register was not maintained.
(*iii*) A veterinary Inspector was paid train-fare daily for going to Kurla and back instead of being furnished with a railway season ticket which would have been more economical.
(*iv*) Recoupment bill for revenue stamps affixed to receipts passed by the Bandra Slaughter Houses for the period ending 30-6-1945 was paid by Office in March 1946, and the bills for revenue stamps affixed to receipts for subsequent period were not even preferred.
(*v*) One anna was found in excess with the Head Clerk.

Reply to audit note is awaited.

Arthur Road Hospital.—It was mentioned in the last audit report that an amount of Re. 0-1-6 was recouped more from the Chief Accountant and that the clerk maintaining the imprest account had advanced Rs. 6 to meet day to day expenses from his own pocket. It was explained that the excess amount recouped had since been refunded to the Chief Accountant and as the Standing imprest advance given to the Superintendent was found insufficient to meet increase in expenditure a proposal to double the same was sent to the Commissioner.

M.C.A. 707/V
3-5-1945

M.C.A. 1083/V
19-11-1945

The balance of imprest cash with the Head Clerk was found in excess of Rs. 2-7-6. The excess amount was got credited to the Municipal Treasury.

Executive Health Officer's Office.—It was mentioned in the last audit report that two sub-vouchers for local purchases were not made available, correct details of journeys were not shown in a conveyance voucher, and that the postage expenses incurred upto January 1945, on behalf of the Government Subsidized Milk Scheme were not recovered but merely shown as advanced to the despatch clerk. The Executive Health Officer explained that the cash mema for purchases were not obtainable from the local dealers; the employee, in whose conveyance voucher correct details of journeys were not shown, was no longer in Municipal service, and the postage expenses of the Government Subsidized Milk Scheme had since been recovered from the Special Officer Milk. Further check of the advance with the despatch clerk showed that although expenses for postage on Government Subsidized Milk Scheme Account for further period amounting to annas six were not recovered, the cash in hand tallied with the account. The excess amount of annas six was got remitted to the Municipal Treasury.

M.C.A. 525/V
13-1-1945

Mechanical Engineer's Office.—Temporary advances aggregating Rs. 102-8-0 were given to office employees for local purchases out of the imprest. Some of them remained uncleared for more than three months. It was explained that due to war conditions some of the articles required on jobs were not readily available in the Market and the persons holding advances had to wait till the possible day of availability. He has however, undertaken to see that such advances are accounted for as early as possible.

M.C.A. 838/V
7-7-1945

Garden Office.—Recoupments of imprest money spent during March, April and May 1945 were received so late as 20-11-1945. No recoupment bills from June 1945 onwards were submitted to the Chief Accountant. Sanctions were not accorded on many of the items of expenditure. The sub-overseer incharge of imprest account was making payments from his own pocket as there was no cash balance left. Reply to audit note is awaited.

M.C.A. 1162/V
2-1-1946

Office of the Officer Commanding Fire Services. The total of conveyance charges paid on 17-11-1945 was less by annas six than shown in the contingent register. There was also Re. 1-0-6 excess in cash balance due to the expenses incurred on postage, during December 1945, not being accounted for. It was explained that stamps when required were taken from the Officer Commanding Fire Services in the first instance and total amount was recovered from the imprest cash at the end of each month and paid to him. Instructions were issued that even if the stamps were taken from the Officer Commanding Fire Services their cost should be immediately recovered from the imprest cash.

M.C.A. 1206/V
18-1-1946

Vaccination Department.—A temporary vaccinator charged annas five more in his train-fare vouchers The amount was got refunded and credited to the Municipal Treasury.

M.C.A. 1182/V
11-1-1946

Architectural Branch.—It was mentioned in the last audit report that as against 26 season tickets, deposits aggregating Rs 28. were shown with the railway companies in the contingent register of the Assistant Engineer. The Office explained that it was due to deposits of Rs. 2 not received back from the peons who had left Municipal service. In both the cases the amounts were got recovered from their provident fund claims.

M.C.A. 651/V
2-4-1945

Assistant Health Officer. C and D Wards.—In one voucher Senior Medical Inspector No. 6 had recovered annas two more than what he paid for milk and butter samples. The excess amount was got recovered from him and credited to the Municipal Treasury.

M.C.A. 1337/V
23-3-1946

City Engineer (Works Branch).—Sub-advance for postage expenses given to the despatch clerk out of the imprest advance was found mixed up with his personal cash. He was warned by the City Engineer not to mix his personal money with the office cash.

M.C.A. 1431/V
26-4-1946

Assistant Health Officer. A and B Wards.—The excess of Re. 0-1-9 in the cash balance was got credited to the Municipal Treasury.

M.C.A. 1349/V
27-3-1946

K. E. M. Hospital.—Test check of the imprest account showed that (1) expenditure incurred for a period of about eight days was not booked, (2) revenue stamps affixed to 4 receipts were not accounted for, (3) there was excess of Rs. 1-11-9 in the sub-advance of Rs. 10 with the Head Clerk, Stores and Diet Section and (4) the Store-Keeper had spent Rs. 8-1-6 out of his pocket besides the sub-advance of Rs. 10. The Dean explained that the clerk concerned was asked to book the expenditure in the contingent register daily; the revenue stamps were accounted for in the subsequent period; the excess amount found with the Head Clerk, Food and Diet, was due to mixing up of other petty cash of R.M.O.'s Mess, etc., and the excess expenditure was due to the articles required to be purchased urgently.

M.C.A. 973/V
28-9-1945

Head Supervisor (Conservancy).—Test check of the accounts at the Head Office and of D Ward Office showed the following irregularities:—

M.C.A. 1244/V
25-1-1946

(1) Full details of conveyance charges were not entered in the contingent book.

(2) Amounts not paid to employees on leave were not refunded to the Chief Accountant.

(3) The register of D Ward Office usually written from the diary of the Workshop Overseer was not written upto date with the result that the conveyance etc., charges payable to the artisan and other staff were not paid for several months. Several amounts of conveyance charges recouped from the main office in November and December 1945 were not paid to employees till 12-1-1946. The cash balance in hand was more by Rs. 1-2-0

It is not desirable to allow submission of the account of conveyance charges to be delayed for several months after their incurrence when it would be difficult to verify the same with the jobs etc., on which the persons were engaged.

Assistant Health Officer F and G Wards.—Excess recoupment of annas two for postal charges included in a bill submitted to the Chief Accountant on 1-3-1946; refund of deposit of Re. 1 of an expired season ticket not made over to office; issue of residential passes from different stations to persons staying in the same Municipal chawl were the main items of irregularities.

M.C.A. 1348/V
27-3-1946

M.C.A. 456/V 1-12-1944	(Gardens Office).	Four audit references mentioned in the last audit report still remain unreplied inspite of several reminders
M.C.A. 510/V 4-1-1945	(Commissioner's Office.)	
M.C.A. 661/V 5-4-1945	(Hydraulic Engineer's Office.)	
M.C.A. 665/V 10-4-1945 & 24-9-1945	(Legal Assistant's Office.)	

6. *Miscellaneous.*

M.C.A. 3976 I
22-10-1943

Plant and Machinery in charge of Municipal Departments—Introduction of Departmental Registers showing plant and machinery in charge of each Department and their annual verification by the Test Audit Officer, suggested by audit in 1939-40 has not yet been completed.

M.C.A. 976 I
1-10-1945

One motor fire engine destroyed in the explosion on 14-4-1944 was not written off the books. The Chief Accountant, therefore, was asked to send a list of plant and machinery destroyed in the explosion. The list has since been received with a reply that necessary adjustments to write off the book value were being effected.

M.C.A. 1018 I
22-10-1945

Plant and machinery statements as on 31-3-1944 from various departments were returned for giving reference folios to the Chief Accountant's Office Register where the items on the statement were entered.

M.C.A. 1028 I
23-10-1945

Verification certificates of plant and machinery as on 31 3-1944 received from different offices, showed that some of the machinery was not certified to be in existence after 31-3-1942. A list of such machinery was sent to the Chief Accountant for calling up the overdue certificates. No certificate except that from the Dean has been received so far for the year ended 31-3-1945.

M C A. 630 I
19 3-1945

With regard to supplementing the grant for purchase of stores by the Controller of Stores by Rs. 6 lakhs in 1944 45 the City Engineer explained that due to the failure of the petty works contractors orders for supplying the materials for works were placed with the Controller of Stores for which the additional grant was obtained.

The City Engineer has been asked to state whether the contractors were called upon to carry out the works before they were taken up departmentally and whether in terms of the contracts, supervision charges and differences in rates were recovered from them. Reply is awaited.

M.C.A. 869 I
24-7-1945

In 110 cases receipts for money sent with letters were not found received by the Chief Accountant. Receipts in 67 cases were produced. For the remaining cases, the Chief Accountant has been requested to obtain receipts early from the parties concerned.

M.C.A. 913 I
9-8-1945

Shelters at tram stops erected by the Tramways Co., are found being used for exhibiting advertisements for which the B.E.S.T. Co., should presumably be receiving decent amounts by way of rents. As the land on which these shelters have been erected belong to the Municipality the Municipal Commissioner has been requested to consider whether the Municipality should not claim some proportion of these receipts. Result is awaited.

M.C.A. 925 I
20-8-1945

Messrs. Rowlandson Bros., had offered a discount of 2½ per cent., on their bills if a department indented the whole year's requirements of the stationery articles in one lot. This concession was not found taken advantage of by the Health Department. The Department explained that the articles were urgently required and hence they had indented half year's supply only.

Outstanding Objections.

Out of 44 objections remaining undisposed off finally in respect of previous years, only 16 were settled during the year under report and the number still left over was 28. The nature of these objections has already been summarised in the report of the respective years. A list of these cases is available in this Office for reference.

Government Subsidised Milk Scheme.

M.C.A. 1101 I
28-11-1945

M.C.A. 1339 I
23-3-1946 etc.

In 168 cases delayed payments in the Municipal Treasury of the collections made at various milk distributing centres in the city from time to time were brought to the notice of the Special Officer (Milk), who issued warning to the persons concerned. Recently a measure of imposing fines on the defaulters has been introduced to secure prompt payment. In two cases the defaulting persons were removed from the Scheme.

M.C.A. 1307 I
5-3-1946
&
M.C.A. 1319 I
13-3-1946 etc.

In 50 cases short payments of collections were reported from time to time to the Milk Officer and amount aggregating to Rs. 21-4-6 was made good from the persons concerned.

M.C.A. 1333 I
20-3-1946

A case of 9 seers of surplus milk sold at a reduced rate was brought to the notice of the Special Officer (Milk) and the difference was made good by the Manager concerned.

M.C.A. 1327 I
14-3-1946

Out of milk taken for samples during the months of February and March 1946, 250½ seers of milk costing Rs. 187-14-0 could not be analysed due to the practice of examining only limited number of samples each day. This wastage was brought to the notice of the Department enquiring whether such milk could not economically be disposed of. Reply is awaited.

M.C.A. 1007/I of 18-10-1945,
M.C.A. 1087 I of 20-11-1945,
AND
M.C.A. 1145/I of 13-12-1945,

Test check of the registers of milk samples maintained in both the Office of the Municipal Analyst and the Special Officer (Milk) showed that the samples were not taken as per standing orders in that behalf to prevent the inferior supply of milk.

Recovery of the cost of sample bottles not returned by the contractors was to be effected from the bills.

M.C.A. 953/I
24-9-1945

This was not found made for the month of July 1945.
Reply is awaited.

Submission of papers requisitioned by audit or the replies to audit notes in the following cases were considerably delayed:—

M.C.A. 559/I
12-2-1945
M.C.A. 867 I
24-7-1945
ETC.

(1) Information regarding security to be furnished by the staff working under the Special Officer Milk.
(2) Confiscation of Rs. 1-15-6 found on the person of a salesman at Centre B/7.
(3) Non-remittance of collection for 8 days by Centre E/1.
(4) 46½ Seers of milk sold at reduced rate at Centre Nos. F/54 and F/24.
(5) 44½ Seers of milk accounted for as waste by Centre B/24.
(6) 56¾ Seers of milk distributed free of cost at Centre Nos. F/24 and F 54.

Municipal Milk Scheme

For

Undernourished Needy Children in Municipal Schools.

(1) The distribution of milk is done by the Health Department through 77 centres in the City, some of which were serving less than 10 children. As the expenses of management for such centres did not appear to be commensurate with the service rendered, the Commissioner was requested to consider more economical ways for working the centres.

M.C.A. 1159/I
22-12-1945

(2) At a surprise check at Centre No. 28 it was noticed that the milk quota for the centre was for 87 children against which only 31 authorised children received milk and the balance meant for 56 children was to be disposed off to other children of the schools who were non-card-holders. No record of the milk given to non-card-holders was maintained. With a view to examine the conditions at other centres, similar information was obtained for 5 months from March to July 1945 of all the 77 centres. The information so received showed that out of the milk received 63.3 per cent., went to the needy children and the remaining 36.7 per cent., was used for other than the sanctioned purpose. Also the terms of the contract for recovering analysis fees and other penalties for supply of inferior quality of milk did not appear to have been enforced.

M.C.A. 947/I
7 9-1945

The matter has been reported to the Standing Committee. (Standing Committee Resolution No. 491 of 26-6-1946.)

(3) It was noticed that 4 supervising officers and workers and assistant workers engaged in the Milk Scheme in various wards (E Ward excepted) were paid for the full month of June 1945 whereas, Marathi, Gujrati and Urdu Schools reopened on the 5th, 11th and 18th June 1945 after summer vacation.

M.C.A. 951/I
12 9-1945

Salaries for the months of March and April 1945 were also paid before obtaining the Standing Committee's Sanction.

The Executive Health Officer's explanation is not received in spite of several reminders.

The Executive Health Officer was also requested to state whether the staff had been paid for the Divali and Mohorum holidays and whether all the centres had started functioning from August 1944, since when conveyance allowance and special pay were being paid.

Reply to this is also not forthcoming

Assessment Department.

This is the main revenue earning Department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. Though improvement is noticed in the work of presentation of bills and serving of demand notices since the question of delay in recoveries was taken up by Audit, yet there appears to be further scope for improvement if the subsequent legal action is expedited and the work of revaluing the owner occupied properties and open lands in the City is hastened. By expeditious legal action it is not suggested to run blind-foldedly to Law Courts without discretion but that after expiration of a certain limited time, after the service of notice, all the unpaid and unrecovered (after execution of warrants) bills should be transferred to the Legal Adviser after taking the necessary sanctions. As previously suggested an appointment of some responsible Municipal Officer having no connection with the Department to test check periodically the valuation of the properties in the City, would also materially help in hastening the revaluation work and consequent reduction of the cases of undervaluation.

The number of bills left outstanding in respect of property tax and wheel tax as on 31st March 1946 was 20,947 aggregating to Rs. 51,45,124-15 3 as against 22,031 aggregating to Rs. 41,43,758-2-5 in the previous year. The outstanding of Rs. 51,45,124-15-3 is inclusive of the Urban Immovable Property Tax amounting to Rs. 10,50,090-6-0.

Filing of Suits.

Amongst the bills outstanding on 31st March 1946, about 1,400 bills were found enfaced for part-payment of water or other taxes and some of these were even enfaced for part-payments more than once. This means that some of the house-owners resort to this practice in order to delay legal action to be taken against them by the Municipality with the consequent result in accumulation of arrears. Since additional staff has been taken by the Legal Assistant's Department for the purpose of expediting legal action (vide Corporation Resolution No. 1216 of 13-3-1944), it is hoped that this number of partly paid bills will be reduced by swift legal action. In cases of such partly paid bills, the Department may as well consider the desirability of taking legal action if the bills are not fully paid within a reasonable time, say, by the time the next half-yearly bills become due for payment.

Reconciliation of Books

The Chief Accountant and the Assessor and Collector have not submitted for audit a reconciled statement of account for the year 1945-46. In the circumstances, the accounts of rates and taxes presented to audit and to the Corporation have remained unbalanced and unreconciled as heretofore and it is not possible for the Municipal Chief Auditor to vouchsafe the accuracy of the figures of collections as on the bill books of the Assessment Department and the books of the Accounts Department severally and interse.

Outstanding Bills.

Among the bills outstanding on 31st March 1946, 1,403 bills were found partly paid in respect of water tax, etc., as under:—

A Ward	..	173
B Ward	..	179
C Ward		82
D Ward	..	216
E Ward	..	114
F Ward	..	135
G Ward	..	509
Total	..	1,403

Such part payments of bills are not casual but appear to be a sort of procedure adopted by some of the rate payers in preventing action by cutting off their water supply or for causing delay in taking legal action against them for the recovery of taxes. Postponement of legal steps in the initial stage should, therefore, be discouraged.

M.C.A. 659 IV of 5-4-1945,
M.C.A. 735 IV of 18-5-1945,
M.C.A. 741 IV of 21-5-1945,
M.C.A. 744 IV of 22-5-1945,
M.C.A. 745 IV of 22-5-1945,
M.C.A. 747 IV of 24-5-1945,
M.C.A. 748 IV of 24-5-1945,
M.C.A. 749 IV of 24-5-1945,
M.C.A. 750 IV of 24-5-1945,
M.C.A. 758 IV of 26-5-1945,
M.C.A. 759 IV of 26-5-1945,
M.C.A. 760 IV of 26-5-1945,
M.C.A. 848 IV of 17-7-1945,
M.C.A. 850 IV of 18-7-1945,
AND
M.C.A. 861 IV of 21-7-1945,

While verifying the bills with the list of outstanding bills defects of the following kinds were noticed:—

(1) Duplicate bills produced for audit.

(2) Bills receipted in advance.

(3) Amount of bills erased and corrected without attestation.

(4) Bills receipted inadvertently by the Ward Inspectors concerned.

(5) Bills not produced for audit.

In most of these cases the needful was got done. In some cases, the Assessor and Collector's reply is awaited. In several cases differences were found in the figures of outstanding bills in the Ward Office Abstracts and in the Head Office Ledgers and got reconciled.

Refunds.

M.C.A. 468 IV 8-12-1944

Refund on account of vacancy was found to have been allowed in respect of the plot of land assessed under D Ward No. 3514 though the plot was used for growing vegetables. It was explained that though the refund on account of vacancy was not ordinarily admissible, yet it was granted as the use of vacant lands for growing vegetables was in pursuance of the Grow More Food Campaign carried on under the auspices of the War Front. The Assessor and Collector also expressed that it was in the interest of the Municipality to assess such lands on capital value basis and to grant 2/3rds taxes as refund on account of vacancy retaining 1 3rd to the Municipality, as all the taxes leviable on cultivation lands would amount to far less than the amount of 1/3rd tax on the assessment of the land on capital value basis.

M.C.A. 2514 IV 20-12-1941 & 18-7-1942

The rateable value of the property bearing C Ward Nos. 5687-88 was reduced from Rs. 14,850 to Rs.14,015 with effect from 1-3-1940. While examining the refund cases for the half-year ending 31-3-1940, it was noticed that no details for reduction of the valuation were recorded by the Investigating Officer in the Complaint Register and it could not be ascertained what rents were adopted by him for the vacant holdings for which refunds were passed. The Deputy Municipal Commissioner issued instructions to all the Investigating Officers to record in the Complaint Register full details of the rents fixed by them floor by floor or tenement by tenement especially when they differed from departmental estimates and to pursuade the complainants to fill in the yellow form declaring rents fixed by the Investigating Officer as far as practicable.

Valuations

M.C.A. 435 IV
20-11-1944,
24-5-1945
&
7-8-1945

Property bearing D Ward No. 3196 (1*D*).—The rateable value of the property was reduced from Rs. 815 to Rs. 410 with effect from 23rd February 1944 due to demolition of an out-house. The land was converted into a garden forming an amenity to the house bearing D Ward No. 3196 (4A). Audit enquired whether the valuation of the latter property was correspondingly increased. The Assessor and Collector replied that the value of the house bearing D Ward No. 3196 (4A) was last fixed in 1942 at Rs. 9,945 having regard to these amenities. Audit therefore, enquired as to how the Assessor and Collector could have taken into account the additional amenities of a garden while revising the valuation of the house in 1942 when in fact there was a building then, which was demolished and converted into a garden so late as in 1944. The Assessor and Collector admitted that fact but still persisted in maintaining the same valuation, stating that the plot was so small and so completely a part of the estate in which the building was situated that it could not with justice or reason be separately assessed or the assessment of the main building enhanced on that account. The Deputy Commissioner held that the removal of the servants' quarters and the conversion of the land on which they stood into a garden would form additional amenity to property bearing No. 3196 (4A) but the assessment remains the same.

M.C.A. 613 IV
8-3-1945

Property bearing D Ward No. 3440 (1).—The property was described in the Tabulated Ward Report as "House, out-house and garage" but from the particulars given it appeared that the garage was not assessed. The Assessor and Collector explained that the garage in the compound was common to two bungalows and the rent was inclusive of the use of the garage and hence it was not valued separately. Orders were issued by the Municipal Commissioner as a result of audit note that in future full particulars should be recorded on the Tabulated Ward Reports in respect of any of such portions of properties, the valuations of which were not independently shown but included in some adjoining portions.

M.C.A. 682 IV
16-4-1945

Property bearing D Ward No. 3215 (3).—The area of the main bungalow of the property was stated by the Surveyor to be 8887.08 sq. ft., whereas the area was taken as 7914 sq. ft. only for calculation purposes. It was explained by the Assessor and Collector that the area given by the Surveyor was taken from the Office records, as the owner's permission to measure the property could not be obtained in time. However, on the party's architect disputing that area, the property was jointly measured and the correct area was adopted.

M.C.A. 686/IV
19-4-1945

Property bearing D Ward No. 3750 (1).—Certain statements made by the Ward Inspector on the Tabulated Ward Report differed from those made by the Superintendent in his report. It was explained by the Assessor and Collector that the Ward Inspector concerned being new to the Section, had failed to note down the details correctly in the Tabulated Ward Report. The errors and omissions were corrected by the Superintendent when proposing the final valuation of the property.

M.C.A. 807/IV
23-6-1945

Property bearing G Ward No. 1868 (2).—The reteable value of the property was proposed under Tabulated Ward Report No. 4/18 of 31-1-1944 at Rs. 15,270 with effect from 1-9-1943 but on complaint the same was reduced and fixed at Rs. 5,260 only. It was, therefore, desired by Audit that the Assessor and Collector may call for the rent bills from the party at the time of investigating the valuation for the year 1946-47 and submit the same to Audit. The Assessor and Collector replied that the rent declared in a rent chit served on the tenant under Section 155 during 1945-46 was the same as taken for fixing the valuation at Rs. 5,260. Besides the valuation had been revised to Rs. 5,415 with effect from 1-4-1944 by the additional estimated rent of Rs. 32 for the portion extended by the tenant.

M.C.A. 999/IV
15-10-1945

Property bearing C Ward No. 3221.—As per particulars in the Tabulated Ward Report the rent of rooms on the first floor worked out to Rs. 101-13-0 instead of Rs. 79-3-0. It was explained that through a clerical error the number of rooms was shown as 9 instead of 7.

M.C.A. 1003/IV
15-10-1945

Property bearing E Ward Nos. 795-96 *and* 850.—In deciding the complaint case the rent of three shops on the ground floor did not appear to have been taken into account in estimating the final assessment. The Superintendent, E Ward, also after fresh inspection, reported that the three shops referred to by audit had remained to be accounted for. The Assessor and Collector however, ascribed this difference in rent to incorrect allocation of rent as between the various tenements on the ground floor. While explaining this, he gave the rent of four rooms occupied by prostitutes on the ground floor at Rs. 25 each and one half room at Rs. 13 only. However, while deciding the complaint case, he had remarked that the usual rate for such class of occupation was Re. 1 and more and, therefore, he had adopted the figure of Re. 1 per room per day. These are really conflicting statements.

M.C.A. 1020/IV
23-10-1945

Property bearing C Ward No. 4173-74.—While reporting increase in rateable value, room No. 68 did not appear to have been accounted for. The Assessor and Collector explained that some rooms of the property were let out singly and some were let out together. Accordingly, room No. 68 was let out with room No. 67 to one tenant and was accounted for but through oversight it remained to be shown in the Tabulated Ward Report.

M.C.A. 1021/IV
23-10-1945

Property bearing C Ward No. 7885.—The property was described in the Tabulated Ward Report as "House used as Workshops and godowns", whereas it stood described in the Assessment Book as "House with shops". The Assessor and Collector explained that description in the Tabulated Ward Report was correct and accordingly the correction was made in the Assessment Book.

M.C.A. 1130/IV
11-12-1945

Property bearing A Ward No. 225 (28).—In valuing the property no account appeared to have been taken of the "garage" though the property was described in the Tabulated Ward Report as "house with garage". The Assessor and Collector explained that the words "with garage" came to be mentioned through mistake. It was further pointed out by audit that the Tabulated Ward Report contained the details of the basis on which the valuation was generally fixed and before the property was brought on the Tabulated Ward Report it was inspected both by the Inspector and the Ward Superintendent and their notes of inspection in the Inspection Register also described the property as "house with garage". Even the Superintendent A Ward in his field book described the property as such. Further explanation is awaited.

M.C.A. 1201/IV
18-1-1946

Property bearing C Ward No. 7594-95.—Assessment was cancelled on account of the demolition of the shed so far back as on 1-4-1919 but the description given as "C.I. Shed" remained unchanged in the Assessment Book until 1945-46. This has been corrected after the audit note was sent. It was enquired as to how this change had remained unnoticed by the Ward Inspector who was expected to thoroughly inspect every year all the properties in his sub-ward (vide paragraph 3, page

124, of the Assessor and Collector's Manual). Moreover, the persons liable to property taxes in respect of properties bearing C Ward Nos. 7591-93 and 7594-95 were shown as two different parties in the Ward Inspection Book while they were treated as one for purposes of assessment. The Assessor and Collector's reply is awaited.

Property bearing D Ward No. 3824.—No assessment was shown in the Assessment Book for the property. The Assessor and Collector explained that the chawl in question was assessed with another property bearing D Ward No. 3823 (2) but the remark had remained to be copied through oversight in the Assessment Book since 1927. It is surprising to learn that remarks in respect of valuation had also remained to be shown in the Inspection Registers of 1943-44 and 1944-45, although according to a standing order the Ward Inspector has to make a thorough inspection of all the properties in his section every year and enter complete and accurate information regarding the same in the Inspection Registers. The Assessor and Collector's explanation is awaited.

M.C.A. 1200/IV
18-1-1946

Property bearing C Ward No. 193 (6):—A pan-stall let by the owner at Rs. 16 per month was stated to have been sub-let at Rs. 1-8-0 per day at the time of inspection. However, the stall was assessed at Rs. 30 per month only. Audit enquired whether in principle, the rent of Rs. 1-8-0 per day paid by the sub-lessee was not accountable for assessment purposes. The Assessor and Collector explained that the stall was reported to have been actually sub-let at Re. 1 per day but at the time of inspection of revising the assessment it was sub-let at Rs. 1-8-0 per day. If it was sub-let at Rs. 1-8-0 per day at the time of inspection one fails to understand how the valuation was fixed at the rate of Re. 1 per day.

M.C.A. 1207/IV
18-1-1946

Property bearing E Ward No. 6141-44:—As the total area of the above property, comprising of land and structures, given by the surveyor did not agree with that shown in the complaint case No. 442 of 1940-41, details were called for. The Assessor and Collector replied that the area of the structures had increased by about 6,000 sq. ft. However, the area of new structures erected during the period was reported by the City Engineer to be about 100 sq. ft. only. Explanation for this difference in area is awaited.

M.C.A. 1208/IV
18-1-1946

Property bearing C Ward No. 1996:—The change of user was not made effective for assessment purposes from the day the building was leased i.e. from 9-2-1945. It was explained that the work of property inspection is commenced in April and completed in November every year and the change of user came to the notice of the ward staff on 5-5-1945. The change was brought on the Tabulated Ward Report from the earliest date of the official year viz. 1-4-1945 as per Section 167 of the Municipal Act. Moreover, the property was occupied some time in March or April after certain repairs were carried out by the lessees.

M.C.A. 1230/IV
23-1-1946

Properties bearing G Ward Nos. 1007 (5*A*) *and* 1060 (6*A*), *described as Tanks*:—In reply to an audit enquiry as to why rateable values in respect of the properties were not shown in the Assessment Books, it was explained by the Department that the values had to be cancelled as per the Commissioner's orders that water tanks, reservoirs and oil tanks constructed owing to war emergency were to be ignored.

M.C.A. 1249/IV
26-1-1946

Property bearing G Ward No. 2537 (1):—On enquiry as to why no valuation was shown in the Assessment Book in respect of the above property when the same was shown in the Inspection Register of 1944-45 as 'the B.M.C.'s land leased to Bai K. Kashinath,' it was explained that as the property was given for cultivation, the value of the land was cancelled on complaint, but the lessee's name remained inadvertantly in the Inspection Register which error was now rectified.

M.C.A. 1261/IV
31-1-1946

Property bearing B Ward No. 3638 (1):—The gradual increase in rent from the first to the third floor was not found to have been maintained in case of the fourth floor. The Assessor and Collector explained that the height of the fourth floor was lower, the water supply was scanty, the grouping of the rooms was inconvenient for the occupiers and that the same rent as was recovered formerly when the property belonged to the B.M.C. (Impts.) was continued to be charged.

M.C.A. 1303/IV
27-2-1946

Property bearing E Ward No. 7489 (*iD*):—Audit enquired why no fresh proposal for valuation was submitted after the proposal under the Tabulated Ward Report No. 174 was cancelled as per the Superintendent's note dated 29-8-1945. Reply is awaited.

M.C.A. 1341/IV
27-3-1946

Property bearing C Ward No. 285:—In the Tabulated Ward Report the rent of the fourth floor was shown as Rs. 43 only as against Rs. 75 of the first floor, even though the area of both the floors was reported to be the same. The Assessor and Collector explained that the area described in the Tabulated Ward Report was not correct. The fourth floor was with a set-back and without W.C's. The floor, however, was occupied as residence only while the other floors were used for business purposes.

M.C.A. 1342 IV
17-3-1946

Property bearing E Ward No. 1987:—The rent of 13 rooms on the second floor was Rs. 89 as against Rs. 136 for the first floor for the same number of rooms. The Assessor and Collector explained that the former was an attic floor with a set back and hence had low roof, less area and less amenities.

M.C.A. 1344/IV
27-3-1946

Property bearing C Ward Nos. 172 *and* 173:—In the Tabulated Ward Report,

(*a*) room No. 33 did not appear to have been accounted for,

(*b*) the rent of rooms Nos: 46 and 47 was estimated at Rs. 30 when the rent bill actually passed for the rooms was for Rs. 37. These rooms were equal in all respects to rooms Nos. 53-54 on the same floor and were let for Rs. 40, and

(c) the estimated rent of a room on the landing on the fourth floor, which was larger in area than another room similarly situated on the third floor let for Rs. 16 was taken at Rs. 12 only.

M.C.A. 1357/IV
27-3-1946

The Assessor and Collector's explanation is awaited.

Property bearing C Ward No. 1350-51.—The rateable value of the property was reduced on complaint from its proposed value of Rs. 10,500 to Rs. 9,845 only with effect from 15-1-1945 on the ground that repairs to some rooms were not completed. As the valuation was not found to have been increased even uptil March 1946, audit enquired whether the repairs were not even then completed. The Assessor and Collector replied that the work of repairs was pending.

M.C.A. 1358/IV
27-3-1946

Water B/Meter Measurement.

M.C.A. 652/IV of 2-4-1945,
M.C.A. 684/IV of 19-4-1945,
M.C.A. 734/IV of 25-10-1945,
M.C.A. 974/IV of 29-9-1945,
M.C.A. 1170/IV of 7-1-1946,
M.C.A. 1291/IV of 19-2-1946,
M.C.A. 1292/IV of 19-2-1946
M.C.A. 1311/IV of 6-3-1946,
AND
M.C.A. 1355/IV of 27-3-1946.

Omissions and irregularities of the following nature found in the Meter Reading Register were brought to the notice of the Department:—

(1) Figures of water consumptions not noted in the register.
(2) Bills not issued although the figures of water consumption were filled up.
(3) Amounts of meter hire bills posted in pencil.
(4) Bills not preferred monthly as per remarks in the register.
(5) Remarks regarding the recovery of meter hire not made in the register.

In most of the cases needful was got done whereas in some cases replies are awaited. Reply is also awaited in respect of a "Silk Mill" which was found to have been charged water consumption for the period ending 30-9-1941 at Annas 14 per 1,000 gallons instead of at Rs. 1 2-0.

Compounded Water Tax.

M.C.A. 1168/IV
7-1-1946

Properties bearing B Ward Nos. 276, 1620 *and* 3303:—The properties described in the list of Compounded Water Tax for 1944-45 as (1) "Dharmashala", (2) "Synagogue with a detached shed" and (3) "Darga and residence" were got corrected to (1) "Hindu temple with shops and pujari's quarters", (2) "Synagogue with a bath shed" and (3) "Darga" respectively. Corresponding corrections were also made in the Assessment Book.

M.C.A. 1276/IV
8-2-1946

Certain properties described as "Houses" were even charged water tax at compounded rate. The Assessor and Collector explained that the properties were either wholly or partly occupied by religious or benevolent institutions and for such occupations only compounded charge was allowed. Descriptions of these properties were, therefore, accordingly got corrected in the statement.

Halalkhore Tax.

M.C.A. 573/IV
16-2-1945

Halalkhore tax was not levied in respect of the property bearing F Ward No. 4022 (1-2) although it had privy accommodation. It was explained by the Assessor and Collector that the property was exempted under the Municipal Commissioner's order No. 126 of 15-2-1933. However, it was ascertained that the night soil from the privy block was being removed through Municipal Agency and the Halalkhore Tax amounting to Rs. 28-8-0 was, therefore, recovered from 1-4-1944. The Deputy Municipal Commissioner also passed orders in this connection that if there were any other properties exempted from the Halalkhore tax under the Municipal Commissioner's orders, the Assessor and Collector should ascertain from the Head Supervisor their liability to Halalkhore Tax.

Wheel Tax.

During the year, nearly 1333 cases were noticed as a result of test-check of 25 per cent. of the entries in the wheel tax registers, wherein no bills were issued by the Department for tax on vehicles, animals, etc. Out of these, replies for 358 cases have been received upto the end of June 1946 from the Department to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City being under repairs, etc., 975 Cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

Omissions to take proper notes in the registers whenever the vehicles were transferred from one place to another, gave no certainty as to whether a particular vehicle (against which no remark of bill appeared) was taxed in any other ward or not. The Department was written to several times to avoid the omissions but they still continue.

M.C.A. 503/IV
2-1-1945

*Vehicle No. BMT/*5383:—Bills for the period from 1-7-1942 to 30-9-1943 were found issued very late on 22-11-1943. The Assessor and Collector explained that the delay was due to the fact that the vehicle was not found on inspection and no bills were issued in the first instance but that on comparing his list of charged vehicles with that of the Police Commissioner, it stood registered there with Bombay Address and that the Petrol Coupons were also obtained by the owner. This enquiry was dependent on the facilities made available by the offices concerned and it took much time.

As the owner could not be traced and the registration of the vehicle was cancelled on 5-11-1943, the bills had to be treated as irrecoverable.

Cases of under charge referred to the Department for recoveries and remaining unreplied so far:—

Serial No.	Year in which original reference was made.	Ward.	Case No. and Date.	Particulars.	Amount.
					Rs. a. p.
1	1940-41	B	M.C.A./978/IV of 5-4-1940 ..	Under-charge in respect of car No. T.5296 under Schedule No. 2034.	10 0 0
2	1940-41	B	M.C.A./1656/IV of 8-4-1942 ..	Under-charge in respect of concern No. 605 under Schedule No. 412.	5 0 0 for each quarter.
3	1942-43	G	M.C.A./3396/IV of 8-12-1943 ..	Under-charge in respect of Motor Lorry BMT/2412 under Schedule No. 531.	10 0 0
4	1942-43	F	M.C.A./3434/IV of 16-2-1943 ..	Under-charge in respect of concern No. BMX/3305	15 0 0
5	1945 46	E	M.C.A./1291/IV of 19-2-1946 ..	Under-charge under entry No. 12/254 of the Meter Reading Register for the year 1944-45.	284 14 0

In connection with the cases under serial No. 1 to 4 above, it may be pointed out that the Assessor and Collector had requested that all cases pertaining to wheel tax dating prior to 31-3-1945 may not be insisted upon and may be filed, as no proper notes showing where a vehicle was removed etc., were then taken in the wheel tax register and the registers for the years prior to 1941-42 were destroyed, they being "C" class record. The Deputy Municipal Commissioner forwarded the above proposal of the Assessor and Collector for my approval stating that any specific cases which Audit liked to be settled might be indicated. Audit, however, could not agree to the Assessor and Collector's proposal to file audit objections on the ground given by him. The Department was advised not to destroy registers and records in future until the audit references were disposed off and was asked to submit available papers for three outstanding references pertaining to wheel tax dating prior to 31-3-1945 out of which papers in one case only have so far been received.

M-C A- 995, IV
13-10-1945
&
25-5-1946

Miscellaneous Departments.

The following Departments are in charge of the collection of miscellaneous Revenue:—

(1) Municipal Commissioner's Office, (2) Town Duty Refund and Election Office; (3) Central Stores; (4) Legal Assistant's Office; (5) Municipal Secretary's Office; (6) Hydraulic Engineer's Department; (7) Victoria and Albert Museum; (8) Chief Librarian's Office; (9) Public Health Department, including Analyst's Office; (10) Health Department, A and B Wards Office; (11) Health Department, C and D Wards Office; (12) Health Department, E Ward Office; (13) Health Department, F and G Wards Office, (14) Malaria Department; (15) Arthur Road and Maratha Hospitals; (16) Vaccination Department; (17) K.E.M. Hospital and G.S.M. College; (18) Conservancy Department; (19) Dog Licensing Department; (20) City Engineer's Department, Central, Building and Architectural Branches; (21) City Engineer's Works and Maintenance Branches; (22) Mechanical Engineer's Department; (23) Drainage Department; (24) Fire Brigade Office; (25) License Department, including Shops and Establishment Branch; (26) Gardens Department; and (27) Markets and Slaughter Houses.

Revenue Returns.

Under Standing Committee Resolution No. 1534, dated the 10th February 1939, the forms of the Revenue Registers of the above departments were revised as from 1st April 1939, for maintaining accounts on the basis of demand, collections and arrears for each source of income, and for tallying these accounts with those maintained in the Chief Accountant's Office.

The revised forms were introduced with effect from 1st April 1939, but the work of completion of quarterly accounts and submission of Revenue and Deposit returns, duly reconciled with the figures on the Chief Accountant's Books was very slack. Attention of the Commissioner was drawn to non-receipt of Revenue and Deposit returns for the years 1944-45 and 1945-46 by Audit under case No. M.C.A. 1402/V, dated 12-4-1946. A report was also made in this connection to the Standing Committee under No. M.C.A. 3609/V, dated 7-6-1946 (vide their resolution No. 450 of 19-6-1946).

The position of returns received for audit till the time of writing the report is shown hereunder:—

Serial No.	Name of the Department	Period upto which the quarterly Revenue Returns are received.	Period upto which the quarterly Deposit Returns are received.	Remarks.
1	Municipal Commissioner's Office	31-12-45	31-12-45	
2	Town Duty Office	31-12-45	31-3-46	
3	Election Office	31-12-45	31-3-46	
4	Central Stores	31-12-45	31-12-45	
5	Municipal Secretary's Office	31-3-46	Nil	
6	Legal Assistant's Office	31-12-44	Nil	
7	Hydraulic Engineer's Department	31-3-45	31-12-45	
8	Victoria and Albert Museum	30-6-46*	Nil	*Revenue return for the 4th quarter of 1944-45 is still not received.
9	Chief Librarian's Office	31-12-45	31-12-45	
10	Public Health Department including Analyst's Office	31-12-45	31-12-45	
11	Assistant Health Officer, A and B Wards Office	31-12-44	31-12-45	
12	Assistant Health Officer, C and D Wards Office	31-12-45	31-12-45	
13	Assistant Health Officer, E Ward Office	30-6-44	31-3-44	
14	Assistant Health Officer F and G Wards Office	31-3-45	31-3-46	
15	Assistant Health Officer Malaria Office	31-3-45	31-3-45	
16	Arthur Road Hospital	30-9-45	31-3-45	
17	Maratha Hospital	30-9-45	31-12-44	
18	Vaccination Department	31-12-45	31-12-45	
19	K.E.M. Hospital	30-9-45	30-9-45	
20	G. S. M. College	10-10-45	31-3-46	
21	Conservancy Department	31-12-44	31-12-45	
22	Dog Licensing Department	31-12-45	31-3-46	
23	City Engineer's Building Branch	30-9-44	31-12-44	
24	City Engineer's Works Branch	30-6-45	31-12-45	
25	Mechanical Engineer's Office	30-6-45	30-9-45	
26	Drainage Department	31-12-44	Nil	
27	Fire Brigade Department	30-6-45	30-6-45	
28	Licence Department	30-9-45	30-9-45	
29	Gardens Department	31-3-45	30-6-44	
30	Markets and Slaughter Houses	31-3-45	31-3-45	
31	Test Audit Officer (Printing)	31-3-46	Nil	

Many of the returns shown as submitted to Audit in the above statement have been received so late during the year that their scrutiny is not complete at the time of writing this report.

It will be seen from the above that the work of rendering accounts by the Departments up to 31st March 1946, and that of checking and reconciling them by the Chief Accountant with his books has remained incomplete.

The figures of revenue receipts published in Appendix No. 3 of the annual report of the Chief Accountant cannot. therefore, be vouchsafed as correct and tallied with the figures appearing in the books of the departments for which the returns up to 31st March 1946 have not been received by Audit.

Departmental Registers.

Inspection of the departmental registers at the time of writing the report showed that in some departments the books were not balanced and attested in token of their virtual completion. Although sufficient staff for complete detailed checking of revenue accounts of the departments was given to the Chief Accountant, the demand registers in some departments were not completely checked.

Revenue Tabulations and Deposit Registers of the Chief Accountant's Office.

In the Revenue Tabulations, rent and other miscellaneous revenue figures were often found misposted in the sub-columns relating to departments or branches of the departments than those to which they related, and as a result, the figures given in the revenue returns could only be reconciled by picking out items relating to that department and working them out separately. Similar is the case with the outstanding balances of deposits for the period prior to 1st April 1941, which have not been classified according to departments in the deposit registers. The Chief Accountant's Department should see that before the returns are certified as correct and submitted to Audit, mispostings or erroneous classifications are duly set right in his books by adjustment or otherwise as the case may be. The Revenue Tabulations and deposit registers were also found not properly totalled and attested by any responsible person in the Chief Accountant's Office each quarter.

Outstanding Audit Notes.

Out of 110 outstanding audit notes of the previous years, and 107 notes of the current year, replies so far received are only 39 for the previous years and 39 for the year under report. Thus there are 139 references outstanding till the time of writing the report. The nature of those objections has already been summarised in the reports of the respective years. A list of them is available in this office for reference by the Departments concerned whenever necessary.

Irregularities and omissions noticed in some of the quarterly returns were duly pointed out to the Departments through the Chief Accountant and got rectified. Some typical instances of errors and omissions are given below.

(1) *Municipal Commissioner's Office.*

M.C.A. 998/V
15-10-1945

The rate of Messrs. P. Carlton and Co., accepted by the Standing Committee for the purchase of old news papers from the Chief Librarian was nearly four times the rate for waste-paper. As many Municipal Departments including those of the Municipal Secretary and the Secretary, Schools Committee, were purchasing newspapers, the Commissioner was requested to instruct the Departments to send the collection of all old newspapers to the Chief Librarian at intervals who would dispose of the same to the contractors. Reply is awaited.

M.C.A. 443/V
24-11-1944
&
25-9-1945

A letter was issued to Government, as a result of an audit note, demanding Rs. 26-3-0 as interest accrued for late payment of leave salary, etc., contributions of an officer, deputed to Government service up to 15-2-1945, but no corresponding demand was created in the register. The Commissioner was requested to intimate the recovery of the amount, and to state whether no interest was due for delayed payments received after 15-2-1945. Reply is awaited.

(2) *Chief Accountant's Department.*

M.C.A. 516/V
8-1-1945
&
29-4-1946

It was mentioned in the last audit report that no demand was noted in the register of the Printing Press for the recovery of leave salary contributions recoverable from an employee of the Municipal Press, deputed to the Auxiliary Fire Service and whose services were dispensed with from both the offices as from 8-7-1944, and that the Chief Accountant was requested to furnish audit with a list of employees who had gone on deputation and from whom leave salary, etc., contributions were being recovered. The Chief Accountant issued instructions to the Press for taking notes of such demand in the Register every month. The other information required from the Chief Accountant is still awaited.

M.C.A. 788/V
12-6-1945

Some errors of the type of wrong postings or wrong allocations in the revenue tabulations pertaining to the Hydraulic Engineer's Department were pointed out to the Chief Accountant. These errors should have been corrected at the time of reconciling the monthly accounts of the Department. The Chief Accountant was requested to see that the figures of the departments were tallied with those on his books before the close of annual accounts.

(3) *Town Duty Office.*

M.C.A. 897/V
3-8-1945

Two receipt books of the Princess and Victoria Docks were not produced for audit. The Town Duty Officer explained that they were destroyed in the explosion of 14-4-1944.

(4) *Controller of Stores.*

M.C.A. 4016/V
24-11-1943

It was mentioned in the previous audit reports that no sanctions were found noted in the Demand Register in respect of rent free as well as rented occupations by three coolies at the Bellasis Road Pipe Depot. From the papers received it appears that the Chief Accountant had asked the Controller of Stores to obtain sanction for the occupation of a shed by a cooly.

The Controller of Stores, however, submitted that in view of the Standing Committee resolution No. 593 of 17-7-1946, allowing free quarters to all those who were paying rent of Rs. 2 per month fresh sanction was not thought necessary.

M.C.A. 931 V
29-8-1945

The book balances did not agree with the actual stock of agreement forms for stores. The Controller of Stores explained that the differences were due to not taking proper notes of issues of forms in the stock register and the clerks concerned were warned. The Commissioner has issued instructions that such entries should be attested by the Assistant Controller of Stores.

(5) *Municipal Secretary's Department.*

M.C.A. 711 V
5-5-1945

Bills for stationery supplied to a Corporator pertaining to years 1943 and 1944 were found outstanding which inspite of several reminders and a registered letter by the Secretary to the party, were not paid. Attention of the Department is invited to Section 16 (ee) of the Municipal Act.

(6) *Hydraulic Engineer's Department.*

It was mentioned in the last report that the additional charge of 15 per cent., over the usual fee for testing

M.C.A. 4194/V
24-2-1944

and sealing of private meters as per the Water Charges Rules of 1942-43 was not recovered.

28-3-1945
14-8-1945
&
13-7-1946

in 54 cases covering an amount of Rs. 54-12-0. In 29 cases recoveries have been effected Recovery in the remaining cases is awaited.

M.C.A. 646/V
29-3-1945

A charge of annas eight per tap was introduced for rewashering leaky taps in the City (Standing Committee Resolution No. 1657 of 17-1-1915). The Hydraulic Engineer was requested to state the system of recovery introduced in this connection by him. He informs that the charges are recovered by the outdoor staff against katcha receipts issued by them. The money thus collected is sent to Head Office the next day. Official receipts are prepared in the Head Office and they are sent to the Ward Inspectors for delivery in exchange for the katcha receipts.

The system of allowing the outdoor staff to pass katcha receipts on loose pieces of paper is not sound and may lead them to fraudulent practice. A proper system of accounting requires that official receipts only be passed on spot which can be properly brought under audit purview.

M.C.A. 97/V
15-5-1944
21-8-1944
&
21-8-1946

It was mentioned in the last year's report that the outstanding rent due for a room in D Ward Quarters from a chaviwalla, who died in 1913, was to be recovered out of his provident fund money. The Question of settlement of the provident fund claim of the deceased employee is still pending. It is not understood why the Municipal dues are not adjusted against the money in the provident fund account.

M.C.A. 706 V
3-5-1945
&
17-7-1945

In an extra water charge bill an amount of Rs. 2-13-0 was short; the rate applied was at 1/7th instead of 2 7 as per Appendix B of the Water Charges Rules. The Hydraulic Engineer stated that it was a printing mistake in the Rules and that the charge applied by him was correct. It was then pointed out that admitting that there was a printing error, the same rate as applied in the other cases should be applied in this case as the rule was not amended during 1944-45. The undercharge was recovered on 20-12-1945.

M.C.A. 751 V
24-5-1945

There was a short charge of Re. 1 in the bill preferred against a Dyeing Works. Reply is awaited.

M.C.A. 696/V
30-4-1945

A surcharge of 25 per cent., over the existing fees was imposed under the Municipal Commissioner's sanction No. A 533 of 11-1-1943. However, this was not found recovered in the case of fees for restoring water connection upto August 1944. The Hydraulic Engineer explained that the surcharge of 25 per cent., for cutting and re-opening water connections on stop tap was sanctioned by the Commissioner on 17-7-1944 and the revised rates were brought into force from 1-8-1944.

M.C.A. 754 V
25-5-1945

In the case of the bungalow at Malbar Hill Reservoir, short recovery of rent for the months of May, June and December 1944 was made due to the rent being calculated at 10 per cent., of the leave allowance instead of pay of the occupant. Reply is awaited.

M.C.A. 695/V
30-4-1945

In a bill, inspector's attendance fee of Rs. 5 for testing pipes on spot was not charged. The Hydraulic Engineer explained that the pipes in question were tested in the maintenance yard at De-Lisle Road and not on site as mentioned through oversight in the private works statement.

M.C.A. 697/V
30-4-1945

Fees for testing fittings amounting to Rs. 13 were omitted to be charged in a private bill and no demand was created in the Demand Register in respect thereof. The Hydraulic Engineer explained that the fees were credited to a wrong head of account. The amount was adjusted to proper head in March 1946.

M.C.A. 725/V
15-5-1945

A bakery at 864, Gokhale Road, was charged at the rate of annas fourteen instead of at annas ten in one extra water charges bill resulting in an excess recovery of Rs. 6-4-0.

M.C.A 708 V
3-5-1945

In the Dead Stock Register of the Hydraulic Engineer's Office, one electric ceiling fan was shown unserviceable, without it being returned to the Controller of Stores. The Dead Stock Register was found last checked by the Stock Verifier in 1940 and the stock register pertaining to surveying and drawing instruments did not appear to have been ever checked by him. The Hydraulic Engineer reported that the unserviceable ceiling fan was removed by the Assistant Engineer (Ar-

chitect) on 2-6-1945. The Test Audit Officer stated that the stock registers had since been checked by the Stock Verifier.

In the case of hire charges for a three ton motor lorry, a surcharge of 25 per cent., was not recovered in several cases although the same was found recovered in the case of 1 1 2 ton motor lorry hired by private parties. The Hydraulic Engineer explained that the rate for hiring a 3 to 5 ton motor lorry to a private party was not raised with the surcharge of 25 per cent., as was done in other cases. It was pointed out to the City Engineer that the proposal for increasing the rate of hire charges for motor lorries etc., was submitted by the Mechanical Engineer for sanction some two years ago but nothing had been done in the matter. Such unusual delay results in loss of Municipal Revenue.

M.C.A. 699/V
2-5-1945
&
3-5-1946

There were no bids at auction sale for certain rights of cutting grass from or cultivating municipal lands outside the city in charge of the Hydraulic Engineer for the period of 3 years ending 31-12-1945; presumably because they used to be sold to the municipal employees. The recoveries in respect of certain rights so sold was also found to have been made from the provident fund claims of the municipal employees. The Hydraulic Engineer explained that the unsold rights covered land unsuitable for cultivation either because it forms part of forest area or lies in a cutting or has the uneven or rocky ground with the consequent negligible produce of grass. He has however, issued orders that the Municipal employees should not be allowed to bid at auctions in future for such sales.

M.C.A. 733/V
18-5-1945
&
M.C.A. 736/V
18-5-1945

Under private ordinary bill No. 277 of 11-1-1945 an amount of Rs. 30-3-0 for testing charges was wrongly shown under the head materials and hence the stock of materials was debited in excess in the private ordinary statement for October 1944. The amount was got adjusted to correct head of account in March 1946.

M.C.A. 694/V
30-4-1945

A sum of Rs. 5 was recovered for providing locking arrangement to a meter of a private party and credited to minor receipts. The Hydraulic Engineer was requested to state the authority under which the charge was fixed. He explained that the recovery should have been credited to deposit account as the charge would be based on the actual expenditure incurred for the same.

M.C.A. 673/V
10-4-1945
&
13-10-1945

A right to draw water for cultivation purposes from the Powai lake was sold for 10 years at an annual rent of Rs. 10 per acre of the area cultivated, provided that the annual rent should not be less than Rs. 1,000. The party had stated that the area to be irrigated would be about 200 acres. Since only minimum rent was recovered for 1944-45 and 1945-46 and as the demand has to be calculated on the acreage of land under irrigation, the Hydraulic Engineer was asked to submit the certified area under cultivation duly verified by A.E.O.C. Needful was done in the matter.

M.C.A. 732/V
18-5-1945

In the Meter Reading Register, remarks made for the discontinuance of water charges were not attested by any responsible person, the information given was incomplete in some cases, and an entry pertaining to Meter Reading Register of the Assessor and Collector's Department was also found noted therein. This was pointed out to the Hydraulic Engineer and needful was done.

M.C.A. 743/V
21-5-1945

In the Revenue Returns for the 1st and 2nd quarters of 1944-45, the outstanding arrears did not tally. The summaries made out in the Departmental books for the period were in pencil and incomplete. The needful was got done.

M.C.A. 924/V
20-8-1945

(7) *Chief Librarian.*

Irregularities such as change of date, overwriting, non-mentioning of amount and variation in writing of amount in words and figures were noticed in receipts passed by the various librarians. The persons concerned were warned by the Chief Librarian to be more careful in future. These receipts were also not checked by the Chief Accountant's Office.

M.C.A. 1157/V
2-1-1946

(8) *Executive Health Officer.*

The work of collection and bacteriological examination of the samples of water in the B.P.T. area was carried out by the Municipal Analyst on behalf of the Bombay Port Trust as approved under Corporation Resolution No. 835 of 13-12-1943. No demand for supervision charges at the rate of 7 1/2 per cent., of the expenditure incurred for the year 1944-45 was created in the demand register of the Municipal Analyst. An amount of Rs. 143-6-0 has since been recovered.

M.C.A. 1070/V
13-11-1945

The Commissioner was requested to revise the charge fixed in 1927 for treating mill tanks in view of the increased allowance paid to the staff by the Municipality. He was, however, not inclined to increase the supervision charge of Rs. 15 at present, as only one mill was taking advantage of the scheme.

M.C.A. 310/V
18-9-1944
&
31-12-1944

The Executive Health Officer reported that, as a result of audit note, necessary remarks would be made in the Establishment Schedule of 1947-48 in respect of concession of free lights to the staff consisting of 12 grave diggers and 2 burning ground attendants of the Hains Road Cemetery, which were not made in the Establishment Schedule of the previous years.

M.C.A. 526/V
13-1-1945
&
16-4-1946

Test check of the accounts of Assistant Health Officer, E Ward Office showed the following errors and omissions:—

M.C.A. 809/V
23-6-1946

(*i*) Short recovery in respect of disinfecting mattresses and pillows.

(*ii*) An amount of Rs. 31-4-0 received in deposit towards licence fee without corresponding demand in the Demand Register.

(*iii*) Dates of receipts changed by overwriting.

(*iv*) Demand for rent recoverable from Dr. G. E. Gandham upto 2-11-1944 and thereafter from his son, not shown in the Demand Register since November 1944.

(*v*) Main and Sectional Cash books, deposit register, and the demand registers incompletely written and not balanced. Reply is awaited.

M.C.A. 872 V
25-7-1945

In the demand register of the Assistant Health Officer, Malaria, no demands were created for recoveries of (1) interest for late payment of leave salary, etc., contributions of an employee on deputation, and (2) fee of Rs. 5 for court attendance of a clerk. Reply is awaited.

M.C.A. 1015 V
22-10-1945

Test check of the accounts of the Assistant Health Officer, F and G Wards Office revealed the following irregularities:—

(*i*) Receipt was prepared for Rs. 2-8-0 while the amount remitted to the Chief Accountant was Rs. 2. In another receipt the amount was changed from Rs. 4-8 to Rs. 3-8.

(*ii*) The quantity of milk shown in the notice differed from that shown in the licence counterpart.

(*iii*) There was delay in preparing notices and recovering licence fees under B.P.A. Act.

(*iv*) No demand for licence fee from the Managing Agents of the Western India Blended Genuine Ghee Co., for keeping and manufacturing ghee, was created in the Demand Register since 1942-43.

(*v*) Recovery for washing blankets were effected in the subsequent month instead of on the same day or the day following.

(*vi*) Arrears of absconding dhobies were shown in a lump sum for each year instead of showing them stone by stone separately. The recoveries made thereagainst were credited to minor receipts instead of to Rent of Properties.

(*vii*) Fine of Re. 1 for non-payment of rent on or before the 8th day of each month was not noted in the demand register against the absconding dhobies. Rents for wash stones were also not recovered in some cases, although the bhatties were lit by the absconding dhobies even after the last day of payment.

(*viii*) In the Bhatti Register initials were found in some cases erased and crosses put subsequently thereby materially affecting the demands of wash stones.

Reply is awaited.

M.C.A. 1017/V
20-10-1945

A number of deposits received in respect of examination of samples remained unadjusted. Reply is awaited.

M.C.A. 1089/V
9-11-1945

In the Deposit Register of the Executive Health Officer's Office 10 deposits aggregating Rs. 6,900-5-3 were outstanding. The Executive Health Officer was requested to state the reason therefor. His reply is awaited.

M.C.A. 1203/V
18-1-1946

In the test check of the accounts of the Registration Branch of the Health Department the following irregularities were noticed:—

(*i*) In some cases neither the certificates were issued nor refunds were proposed.

(*ii*) An amount of Rs. 2 was recovered for issuing 2 birth certificates as against the schedule charge of Rs. 3.

(*iii*) Debits of refunds given by the Chief Accountant in 1945-46 were posted in the Demand Register of 1944-45.

(*iv*) Original of a cancelled death certificate was not attached to the counterpart in the Book.

(*v*) The totals of debits during February 1943 was shown as Rs. 33 as against the correct figure of Rs. 34, in the Demand Register. Reply is awaited.

M.C.A. 1204/V
18-1-1946

While test checking the accounts of the Assistant Health Officer, E Ward Office, it was noticed that (*i*) Recovery of rent for the quarters occupied by the son of a deceased employee was not made since 2-11-1944; (*ii*) no recovery of electric charges was made from an employee who was on leave; (*iii*) the right of removing cocoanuts from the tree in the compound of Falkland Road Dharmasala was not sold for the period from 1-4-1944 to 31-12-1944 and (*iv*) several deposits were outstanding in the deposit register. Reply is awaited.

(9) *Arthur Road and Maratha Hospitals.*

M.C.A. 1113/V
4-12-1945

Patients' money and property registers maintained at the Maratha Hospital did not give ready information regarding the balance of Patients' money on hand. The balance of patients' money on hand was found to be short by Rs. 13-6-0 which was made good by the clerk after being pointed out by Audit. It was suggested to the Executive Health Officer to adopt the form of Patients' Money Register maintained at the K. E. M. Hospital. Needful was done in the matter.

M.C.A. 1122/V
10-12-1945

Many errors and irregularities were noticed in the receipts passed for the moneys and articles received from the patients of Arthur Road Hospital. In one case an amount of Rs. 5 was not accounted for in the Register. Reply is awaited.

M.C.A. 1128/V
11-12-1945

Particulars of demand made against certain persons were not shown in the Staff Quarters Register of the Arthur Road Hospital. The collections and donations of Poor Box were continued to be shown in the main cash book and receipts for donations were passed from the general receipt book although the account was maintained by the Executive Health Officer as from 1-4-1945. Reply is awaited.

M.C.A. 714/V
11-5-1945

Test check of the books of accounts revealed that (1) there was a short recovery of Rs. 10; (2) certain receipts were signed by the Senior Medical Assistant having no authority to do so; (3) the Nurses Welfare Fund and the Poor Box Charity Fund were not separately maintained; (4) the internal check was weak as the work of writing the Demand Register, Cash book,

receipts and receiving of cash was done by one man only; so also the work of indenting, issuing and maintaining the register of stores, and (5) the register of moneys and articles received from patients was not properly maintained.

(10) *Vaccination Department.*

M.C.A. 823 V
30-6-1945
24-4-1946
&
5-7-1946

A room of the quarters in the compound of the Central Vaccination Office has been occupied rent free by a peon of the Assistant Health Officer, F and G Wards Office for the last 15 years but no provision exists in the Establishment Schedule for the same. Reply is awaited.

M.C.A. 831 V
3-7-1945

Some employees of the department are provided with quarters in the compound of the Central Vaccination Office on a nominal rent of annas eight per month, on the understanding that no outsiders are allowed to stay with them in the quarters. The Superintendent of Vaccination has been asked to report if the quarters are exclusively occupied by the employees, as otherwise extra rents will have to be charged. His report is awaited.

M.C.A. 1155/V
18-12-1945
&
13-7-1946

In the bill submitted to the Commissioner of Police for vaccinating Haj Pilgrims charge at the rate of 15 pies per dose (the cost price) as against the schedule rate of annas four per dose was made Variation in the rate required sanction. The Commissioner's sanction to the variation in the rate was obtained.

M.C.A. 813/V
27-6-1945

Some fruits from the mango trees in the compound of Central Vaccination Station were sold as perishable for Rs. 2. As there were 13 mango trees, 6 jack fruit trees and one cocoanut tree in the office compound the Executive Health Officer was requested to include these trees in the annual rights sold by public auction.

M.C.A. 822/V
30-6-1945

Certain doses of vaccine lymph included in a bill preferred against one Mrs. G. F. Westen were not accounted for in the stock register. The Superintendent of Vaccination explained that it remained to be shown in the register owing to heavy rush of work on account of small pox epidemic.

M.C.A. 190/V
4-7-1944
&
29-3-1945

The Executive Health Officer was requested to redistribute the work in the Vaccination Office as one and the same clerk received cash, prepared receipts, and maintained cash book, demand register and the vaccine lymph register. As a result of audit action the work was distributed amongst different clerks as from 1-12-1945.

(11) *K. E. M. Hospital and G. S. M. College.*

M.C.A. 1155/V
29-1-1946

The arrears brought forward in the Rent Demand Register of 1945-46 were not totalled and agreed with the totals of outstanding of the previous year. A sum of Rs. 2-4-0 recovered on 3-2-1945 was not posted in the Register upto 10-12-1945, and demand for a sum of Rs. 2-10-0 shown as outstanding in 1945-46 for previous year, did not appear in the Register for 1944-45.

M.C.A. 795/V
14-6-1945
&
26-4-1946

In the G. S. M. College half the fees received for analysing samples were found credited to deposit for paying moiety to the staff instead of crediting the whole fee first to revenue. 15 per cent., supervision charges were also not found included in the bill for the supply of stationery, stores, appliances, chemicals, etc., by the College to the examinees of the F.C.P.S., L.C.P.S., and M.B.B.S., examinations held at the College. These being pointed out the Dean stated that after the audit note the correct procedure was followed and that the supervision charges were also recovered. The Dean was further asked why no supervision was charged on the amount of the bills for market purchases, forwarded to the University and the College of Physicians and Surgeons for direct payment to the firms. His reply is awaited.

M.C.A. 866/V
23-7-1945

The Commissioner was informed that if the accounts of Poor Box Charity Fund and the Gymkhana of the G. S. M. College were required to be audited by the staff of Audit Department it would be necessary to remunerate it on the basis of the staff under the Test Audit Officer, who were being paid extra remuneration out of the Fund in addition to their usual emoluments. In reply the Commissioner stated that as those accounts were being checked on payment of extra remuneration by the Test Audit Officer's staff it was not considered necessary that they should be audited by the Audit Staff.

While test checking the accounts of the K. E. M. Hospital the following irregularities were noticed:—

M.C.A. 880/V
26-7-1945
&
11-2-1946

(*i*) Errors committed in preparing receipts,
(*ii*) Recoveries in respect of electric charges were credited to wrong head of accounts,
(*iii*) Rents, etc., dues outstanding against ex-Ice Mechanic who vacated the quarters attached to the Hospital on 31-5-1945 were not recovered and no demand was created in the Demond Register for the months of April and May 1945. Recoveries effected from him were also kept in deposit account and not adjusted to Revenue.

Reply is awaited.

(12) *Conservancy Department.*

M.C.A. 2555/V of 19-1-1942
M.C.A. 593/V of 21-2-1945
&
M.C.A. 797/V of 15-6-1946

Previous annual reports contain comments on the incompleteness of the Rent Demand Registers of the staff quarters and chawls of the Conservancy Department. There is no improvement and no account of these chawls and staff quarters was rendered during the year under review. Thus this account remains unchecked by audit since the year 1941.

M.C.A. 3692/V 7-6-1943 25-1-1946 & 30-4-1946

Messrs. Com-Adverts who were given the right for exhibiting advertisement on the public urinals in the City vacated the advertisement sites on 31-7-1945 without paying rent from 1-5-1945. The Head Supervisor was asked to report the recovery of outstanding Municipal dues. His reply is awaited.

M.C.A. 1154/V 29-1-1946 & 16-4-1946

A supplementary bill, as a result of an audit note, for an undercharge of Rs. 28 for the removal of refuse from the Military Camp in the open ground opposite Marine Lines Station was issued on 19-2-1946 to the Station Staff Officer. The Head Supervisor has been asked to report its recovery.

M.C.A. 1272/V 7-2-1946

Some of the books of accounts for the year 1944-45 maintained by the Office of the Head Supervisor were not balanced; totals as well were incorrect. They were not checked by the Chief Accountant's staff. Reply is awaited.

M.C.A. 1271/V 7-2-1946

Errors and omissions noticed at the time of test check of the accounts of the Head Supervisor's Office were as under:—

(*i*) Collections of Rs. 14-9-3 and 1-9-2 from the slot at Bhatia Baug on 1-11-1944 and 19-12-1944 respectively were not accounted for in the Demand Register.

(*ii*) A sum of Rs. 2 due for feeding and watering charges of a bullock was neither recovered nor shown as outstanding in the Demand Register.

(*iii*) A sum of Rs. 30 only was charged daily since 1-3-1944 to the Station Staff Officer, Colaba Military Area for the removal of 15 cart loads of katchra as against the agreed charge of Rs. 40 per day for 20 cart loads shown in the new agreement for 2 years ending 28-2-1946.

(*iv*) A demand of Rs. 16 shown against the Officer-in-charge, C.R.F., Naval Works for removal of 8 cart loads of saw dust is neither recovered nor shown as outstanding demand in the arrears column of the Demand Register.

Reply is awaited.

(13) *Dog Licensing Department.*

M.C.A. 1129/V 11-12-1945

Test check of the account of the Dog Licensing Department revealed the following irregularities:—

(*i*) Columns for duplicate ticket No., name of the transferee, date of sale or transfer, in the Demand Register were not filled in.

(*ii*) In some cases licences were prepared in the names of firms or companies instead of in the name of individual persons.

(*iii*) Debits for refund of tax on dogs were not posted in the Demand Register but noted in the cash book.

(*iv*) Two deposits were outstanding.

(14) *City Engineer's (Building Branch.)*

M.C.A. 1107/V 1-12-1945

The closing arrears of supervision charges in respect of private works bills shown in the Revenue Return of 1943-44 did not agree with the opening arrears shown in the return for 1944-45. The City Engineer was asked to reconcile the difference. His reply is awaited.

M.C.A. 1106/V 1-12-1945

The actual balance of stock of the Municipal publication "Sewage Disposal" was found short by four copies and they were reported to have been issued to four officers without their receipts. The City Engineer was informed that the notes of these issues in the Stock Register were necessary.

M.C.A. 1069/V 13-11-1945

A lump sum fee of Rs. 50-13-0 instead of Rs. 24-6-0 per year was recovered for a gallery projection fee at Falkland Road. The City Engineer was requested to put up the orders of the Commissioner. From the papers received it was noticed that the Commissioner's sanction was accorded to a particular case and did not apply generally, and the Commissioner had also called for modified draft rules. The City Engineer's reply is awaited.

M.C.A. 1061/V 9-11-1945

Fees for court attendance and production of papers and charges for showing a set-back on a blue print received under deposit were not adjusted for a long time and the demands in respect thereof were not also created in the Miscellaneous Revenue Demand Register. Reply is awaited.

M.C.A. 1030/V 23-10-1945

No receipts for a period from 19-1-1945 to 8-6-1945 were passed from a receipt book. The City Engineer explained that the recovery of fees during the period was looked after by a person of another Section who had passed receipts from his book.

M.C.A. 971/V 28-9-1945

In a receipt for the recovery of weather frame fee the period shown was wrong. The City Engineer stated that the date was erroneously put through oversight and got the receipt corrected.

M.C.A. 1043/V 27-10-1945

The quantity of waste paper sold was wrongly shown in a receipt. The receipt was got corrected.

M.C.A. 972/V
28-9-1945

Fee of Rs. 15-9-0 for a weather frame at Naigaum Road was recovered in two sums. Rs. 10-8-0 were recovered in January 1945 and the balance of Rs. 5-1-0 was recovered in June 1945 by a new overseer.

(15) *Mechanical Engineer's Department.*

M.C.A. 804/V
21-6-1945

Out of the total area of 26750 square yards of the rights No. VI and VII for cutting grass of the Drainage Department, half was let to Military Authorities on a yearly ground rent of annas 2 per square yard. The City Engineer was asked how the natural grass grown on the remaining area was disposed off. He explained that the area was not auctioned as it had no direct and suitable vehicular access and that the grass scarcely grew on the plot covered by debris, etc.

M.C.A. 819/V
29-6-1945

A rent free tenement at the F and G Ward Office (Chinchpokly) was shown vacant in the Demand Register of A.E. (Drainage) who explained that it was vacant during the temporary appointment of a chowkidar and it had since been occupied by the person confirmed in the appointment.

M.C.A. 814/V
27-6-1945

In three cases of occupation of quarters by the ex-municipal employees, the demands for rent were not shown for several months in the Rent Register although they continued to occupy the quarters even after their retirement.

M.C.A. 820/V
29-6-1945
&
7-8-1946

In the ground rent Demand Register of Assistant Engineer (Drainage) a tenancy on a monthly rental of Rs. 8 was found in arrears since June 1941. No action was found taken for ejectment of tenants etc., for three years even after the sanction was obtained (Standing Committee Resolution No. 225 of 17-5-1943). In another case four months' rent received under deposit was not adjusted to rent account.

(16) *Fire Brigade Department.*

M.C.A. 1202/V
18-1-1946

In a bill for hire of a trailer pump and hose for pumping water into an overhead tank at Malbar Hill the charge for hose was shown for the actual length of hose used, instead of a unit of 5 lengths as per schedule of fees.

(17) *Licence Department.*

M.C.A. 1273/V
7-2-1946

A sum of Rs. 2 for licence fee was recovered short from a sheet metal work. The shortage was recovered under a supplementary notice, but no note relating thereto was made in the Demand Register.

M.C.A. 1283/V
11-2-1946

Composition fee of Rs. 5 was neither recovered in respect of late payment of licence fee for an eating house nor the Commissioner's sanction for waiving it was available. Sanction was obtained on 16-5-1946.

M.C.A. 1173/V
7-1-1946

Revenue returns were sent in parts and due to this audit work was hampered. The Department explained that the returns were misplaced in the Chief Accountant's Office and eventually duplicates had to be prepared and hence the delay.

M.C.A. 1282/V
11-2-1946

A licence was granted for 29 milch cattle and two bullocks but no fee was recovered in respect of the two bullocks. The Superintendent of Licences explained that the bullocks were kept at the stable for removal of dung, etc., and that the purpose did not fall within the meaning of Section 394, (c) I to IV hence no licence fee was recovered for them. The Legal Assistant agreed with this view.

M.C.A. 1316/V
8-3-1946
&
M.C.A. 1318/V
13-3-1946

In some of the licence notices date of service, area, and the deposit receipts, were erroneously shown. Needful was got done.

(18) *Gardens Department.*

M.C.A. 1126/V
11-12-1945

In thirty-two cases, plants etc., sold on credit were found outstanding for a very long time.

M.C.A. 1161/V
2-1-1946

Test check of the accounts revealed the following:—

(*i*) Short remittances into the Municipal Treasury made good after a considerable time.
(*ii*) Short recovery for hire of pots.
(*iii*) Omission to note the demand and recovery of hire charges.
(*iv*) Some receipts left unsigned by the overseer and printed number of a receipt changed in pencil.
(*v*) Recoveries credited to a wrong head of account.
(*vi*) No recovery for elephant and camel rides for considerable period.
(*vii*) Demand for rent for a tennis court not shown in the Demand Register of 1944-45, and
(*viii*) Recovery of rent not made from a person on leave for about 11 months.

The Superintendent of Gardens' reply is awaited.

(19) *Market Department.*

M C A 511/V
8-1-1945

It was mentioned in the last report that six holders of the demolished vegetable stalls of the Fergusson Road Market were allowed to occupy the other stalls having higher rents, on the rent of their old stalls. Standing Committee's approval has since been obtained to this, until such time as the rents in this Market are revised (vide Standing Committee Resolution No. 436 of 19-6-1946).

M C A 640/V
26-3-1945
&
12-4-1946

In the last audit report it was stated that interest was not recovered for delayed payment of leave salary etc., contributions payable by Government in respect of two Inspectors of the Department who had gone on deputation to the Controller of Grain-shops. The amount of Rs. 2-13-0 has since been recovered.

M.C.A. 492/V
30-12-1944
&
17-1-1946

The Superintendent of Markets reported certain books and papers required by audit to be missing. The Commissioner, however, issued instructions to the Superintendent of Markets that the persons in charge of various books would be primarily responsible for their loss and that they should obtain charge receipt for office record, while handing over books in their possession or charge to substitutes or their successors.

M.C.A. 508/V
30-7-1945

It was mentioned in the last audit report that the recoveries from the sale of manure at Bandra Slaughter Houses being very few, the Market Superintendent was requested to state whether it was not possible to give an annual contract for the removal of all the manure found in the compound of the Slaughter Houses. He explained that looking to the small number of cart loads sold in a year it was doubtful whether the proposal would be more advantageous.

M.C.A. 639/V
26-3-1945

The variations noticed between the monthly and the quarterly vacancy reports submitted by the Market Inspectors were mentioned in the last audit report. The Superintendent of Markets admitted that the monthly vacancy reports were not checked on the spot prior to the audit note and necessary instructions were issued to the Chief Inspector to verify them on spot and certify on each of them.

M.C.A. 552/V
3-2-1945

Various defects including non-fixation of license fees for doing the work at the Jatka Slaughter House of Arthur Road were mentioned in the last Audit Report. The Superintendent of Markets stated that the discrepancies pointed out in licences were set right, the missing licence books could not be traced inspite of deligent search and that the licence fees for doing the business of scraper, skinner or servant were sanctioned at Re. 1 per annum for each category (vide Corporation Resolution No. 234 of 5-7-1945). The Commissioner, however, warned the person concerned for the missing *licence* books.

M.C.A. 333/V
10-10-1944

It was mentioned in the last audit report that several tenants (licencees) of the chawls and sheds in the compound of the Bandra Slaughter Houses were in heavy arrears of rent, and that the instructions to recover one month's extra rent from the tenant remaining in arrears for more than two months' rent, were not followed. The Superintendent of Markets explained that it was not possible to recover one month's extra rent when the actual rents were in arrears. A condition stipulating that if the licensee fails to pay to the Municipality on the due date rent of any room let to him his license would be suspended, was inserted in the license with the Commissioner's sanction. The Commissioner also issued instructions that a deposit equal to two months' rent should be taken from new tenants.

M.C.A. 476/V
14-12-1944
8-5-1945
&
25-5-1946

Space rent amounting to Rs. 21 for meters installed by the stall-holders of the Arthur Crawford Market was recovered as a result of audit note. The Department has been asked to note meter numbers against each item of demand in the Register.

M.C.A. 550/V
3-2-1945
&
2-4-1946

Non-recovery of fees for removal of hides and skins of dead animals and fees for the removal of sheep and goats by the fadkaries as noticed from the Animal Register of the Bandra Slaughter Houses was mentioned in the last audit report. The Superintendent of Markets admitted that the Animal Register was not properly maintained; and the figures shown therein were erroneous; actually there were no short recoveries. He, however, maintained that the Animal Register was kept for statistical purposes with a view to know the balance of animals remaining in the yard at the close of a day. The Test Audit Officer was asked if the Animal Register was to be treated merely as a statistical book to be ignored in accounts, how the whole account of different parts would be controlled in view of departmental collection of fair ground and feeding fees from the current year.

His reply is awaited.

M.C.A. 568/V
13-2-1945
&
7-8-1946

In the last audit report it was mentioned that out of 18 outstanding deposits received during the period from 1930 to 1941, thirteen of them were adjusted to revenue retaining 5 as standing deposits. The Market Superintendent was further asked to transfer three of them in the names of the present tenants, heirs of the deceased depositors and his reply is awaited.

Estate Agent's Department

The main items of receipts of this department are (1) Rents from Municipal and Ex-Trust properties (2) Sale of rights, (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums on permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

The registers of demand, collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 have remained unbalanced and unreconciled.

The instructions of the Deputy Municipal Commissioner (Improvements) for completion and balancing of these registers do not appear to have been yet carried out and nothing is so far done to put these matters on a satisfactory basis.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by calling for information and explanations from the Department for scrutiny and by forwarding to it periodical lists of arrears of selected cases. During the year under report a number of such statements were drawn up and sent to the department but most of them together with some for the previous years,

still await final disposal. The Deputy Municipal Commissioner (Improvements) has been pressing the Departmental Officers and staff to take action by circulars, instructions and warnings on the defects shown by Audit and although some improvement is achieved much remains still to be done.

The cases of pasts arrears, specially of vacated tenancies, do not still receive as much attention as they ought to as will be seen from the audit objections mentioned hereafter. The amount of such past arrears of vacated tenancies for "Bad and Doubtful Debts" was Rs. 2,24,705 on 1st April 1945 to this was added a sum of Rs. 45,663, on account of fresh arrears accrued during the year 1945-46 bringing the total outstanding to Rs. 2,70,368. Against this recovery effected by the rent collecting staff including adjustments of deposits, etc., during the year 1945-46 was Rs. 54,031 only.

In these days of acute shortage of housing accommodation it is difficult to think of a tenant running away leaving arrears without putting some one else in his place and yet the arrears transferred to Bad and Doubtful Debt registers of such tenants during the year amounted to a big sum of Rs. 45,663.

Outstanding Audit Notes.

Out of 139 objections remaining undisposed of finally in respect of previous years only 18 have been replied to during the year under report and the number still left over is 121. The nature of these objections has already been summarised in the reports of the respective years. A list of them is available in this Office, for reference by the Department concerned whenever necessary.

During the year there were several instances in which the papers were reported to be lost when called for by Audit. It may be remarked here this year too that the items included in the write-off statement submitted to the Standing Committee for sanction do not appear to undergo proper scrutiny at the hands of the Departmental Officers before they are recommended for write-off and the remarks such as "Parties not traceable" etc., are mechanically put thereagainst. In this connection the Deputy Municipal Commissioner (Improvements) has issued instructions to the staff to get these items verified properly and it is hoped that such irregularities will be scrupulously avoided in future.

Late submission of occupancy and vacancy reports.

25 Cases of vacant land occupancy reports delayed from 1 to 11 months were referred to the Estate Agent.

M C A 478/III
18-12-1944
&
M.C.A. 521/III
11-1-1945

In three cases, tenancy deposits were not recovered. In one case of a monthly rent of Rs. 833 the date of occupation was found changed from 14th October 1944 to 20th October 1944. The occupancy reports are a sort of check ensuring accuracy as to the dates of occupations from which rents are chargeable. From the explanations received it appears that they were delayed for want of sanction, recovery of deposits, settlement of rents, etc. In this connection the Estate Agent has been advised that the submission of reports showing the dates of occupancies pending settlement of all other matters, should be regularly insisted upon, in order that the parties may not get undue advantage of time out of negligence of the staff concerned or otherwise. The Estate Agent has however, instructed the inspectorial staff to maintain a register and report cases of encroachments detected from time to time and submit the same to the Accounts Branch within two weeks of the dates of such encroachments. Such reports can subsequently be verified with occupancy reports when received.

M.C.A. 712/III
11-5-1945

Five cases of undue delay of 4 to 6 months were referred to the Estate Agent.

The Estate Agent replied that these were encroachment cases where parties were made Municipal tenants after lengthy correspondence and great persuasion.

M.C.A. 830/III
3-7-1945

Five cases of abnormal delay varying from 10 months to 5 years were referred to the Estate Agent, who explained that in 3 cases the delay was due to certain difficulties in surveying land and determining the correct area, as the plots were occupied by the Military Authorities during the war time without previous intimation. Negotiations were therefore, opened with the Authorities and terms were subsequently settled.

Further reply is awaited in respect of the remaining cases.

M.C.A. 862/III
21-7-1945

Assistant Engineer, Love Grove Pumping Station, who was occupying free of charge a bungalow in case 17, Scheme 58, retired from Municipal service on 12-10-1944. Although he was charged standard rent of Rs. 60 per month from the date of his retirement the occupancy report was submitted as late as on 16-2-1945. Tenancy deposit was not taken from him and the demand for electric charges was also not shown in the demand register.

The Estate Agent's reply is awaited.

M.C.A. 1300/III
25-2-1946

14 cases of abnormal delay of 1 month to 2 and a half years were referred to the Department Reply is awaited.

Breach of Municipal Service Regulations.

M.C.A. 1209/III
18-1-1946

One Pandurang Vithoba, a Municipal employee was allowed to take up a right of removing fruits from cocoanut trees from 1940-41 to 1945-46. It was pointed out that Municipal employees were debarred from having such dealings with the Municipality under the Municipal Servants' Conduct and Discipline Rules.

The Estate Agent replied that these rules were applicable to employees in superior service only and in rare cases persons of inferior service were allowed to bid at the auction and that the highest offers were accepted.

His attention was further drawn to the provision of Section 86 (2) of the Municipal Act under which any Municipal Officer or servant who acquires or has any interest in any Municipal contract would cease to be a Municipal Officer or servant.

Reply is awaited.

Arrears Written-off.

Arrears of Rs. 90-2-0 due from Messrs. Daddy Billimoria & Co., were written-off with the sanction of the Standing Committee on the ground that the firm was untraceable. The firm appeared to be on the approved list of City Engineer's Department and transacting business at 55, Apollo Street, Fort, Bombay, to which the Estate Agent's attention was drawn. The Estate Agent replied that further correspondence was entered into, to effect the recovery but to no purpose. He further stated that it was not possible to fix the responsibility for non-recovery on any member of the staff as the case was a very old one; however, he had suggested that the Divisional Officers should examine all the items of arrears before they were recommended for write-off after scrutiny by the Chief Accountant's staff.

M.C.A. 1525 III
27-11-1940

Arrears of Rs. 46-8-0 due from one Satimulla Hidayatulla for occupation of shop 1, ground floor, block No. 1, New Mominpura Chawls, were written-off under Standing Committee Resolution No. 1170, dated the 18th November 1942, on the ground that the tenant was not traceable. Audit however, could trace the same name in another continuing tenancy in the same block of the same chawls. The Estate Agent explained that the tenant had two tenancies one a shop and the other a residential room. On his death by about December 1937, the shop became vacant and the residential room continued to be occupied by his aunt. As she was not the legal heir, the arrears could not be recovered from her and therefore the amount was written-off.

M.C.A. 3708/III
23-6-1943

In reply to a suggestion that census of all the tenants be taken every quarter so as to weed out tenancies continuing in the names of deceased tenants or tenants who had left the room, the Estate Agent has issued a circular to the rent collecting staff to note down the information, regarding the work addresses, etc., in their rent collection books during the first three months of each year to determine sub-tenancies.

On a scrutiny of the current rent registers in July 1945 it was noticed that this information was recorded in only three instances. A reference has been made to the Estate Agent that the remaining members (about 24) of the rent collecting staff had not even attempted to start the work.

M.C.A. 847/III
17-7-1945

Arrears of Rent Recovered at the instance of Audit.

Serial No.	Particulars of Tenancy.	Name of the Party.	Reference No. and Date	Amount outstanding	Dates of recovery.	Remarks.
1	Parsi Panchayat Lane	M. D. Kaikhushru.	M.C.A./2200/III 12-8-1941	Rs, 270 3 7	Receipt No. 8250/ 4-11-1944	Rs. 263-6-1 recovered and the balance of Rs. 6-13-6 written-off as irrecoverable.
2	Scheme 57, Case 73, V. L.	Pyarelal Varman	M.C.A./2408/III 14-11-1941	Rs, 75 6 0	Receipt No. 734/13/ 14-9-1944 Receipt No. 152/19/ 19-2-1945	Rs. 10 Rs. 65 6 0
3	Plot 2, Scheme 57	Laxman N. Kural	do	Rs. 813 8 0	Receipt No. 734/3 15-9-1944 Receipt No. 766/ 23-29/ 18-9-1944 V. No. 22003/ 29-9-1945	Rs. 44-12-0 Rs. 320-4-0 Rs. 448-8-0
4	Dadar-Matunga, Plot 371	Lessee of the Plot	M.C.A./2143/III 22-7-1941	Rs. 139 0 0	Receipt No. 6119/ 16-6-1944	Rs. 113 Rs. 25 being wrongly calculated amount by the department was forgone.
5	Scheme 32,72,1,5	Mahomed Umar Sahibdin.	M.C.A./2404/III 13-11-1941	Rs. 2 15 6		Date of recovery is not available.
6	Peons chawls, Block 1, ground floor.	Rupchand Hirachand.	do	Rs. 13 0 0	Receipt No. 27710/ 16-6-1944 Receipt No. 51385/ 6-7-1943	Rs. 5-8-0 Rs. 1-0-0

Arrears of Rent (Permanent).

The following references were made to the Estate Agent for early recovery:—

M.C.A. 246/III
7-8-1944

(1) 15 Cases of arrears of ground rent due from the lessees for four quarters (i.e. 12 months and over.

Recoveries in respect of 9 items have been made and the Estate Agent has been requested to report after recoveries in the remaining 6 cases are effected.

M.C.A. 863/III
21-7-1945

(2) Ground rent amounting to Rs. 44-12-0 together with nominal rent of Rs. 2 accrued for 2 years ending 17-12-1944 from lessee of Plot No. 14 Shivaji Park.

The ground rent of Rs. 46-12-0 has since been recovered.

M.C.A. 910 III
6-8-1945

(3) Rs. 249 at Rs. 60 P.A. for the period from 1-4-1941 to 31-3-1945 from the lessee of Plot No. 92, Dadar Matunga South for retaining an open frame work structure on the terrace.

Reply is awaited.

M.C.A. 940/III
5-9-1945

(4) Amount of interest of Rs. 424-7-10 outstanding for over 7 years from the lessee of Plot No. 215 near Shivaji Park.

Reply is awaited.

M.C.A. 1347/III 27-3-1946 (5) 39 Cases of heavy arrears of ground rent from lessees for three quarters and over as on 28th February 1946.
Reply is awaited.

Arrears of Rent (Temporary.)

M.C.A. 1261/III 25-7-1940 (1) Arrears of Rs. 528 from Mr. R. S. Nikalje covering a period of 66 months as on 30th May 1940 for occupation of room No. 30 case M 753, Mahim Division, were reported to the Estate Agent, who replied that owing to persistent vacancies prevailing in the above premises the management was entrusted to Mr. Nikalje, President, Satara Zilla Mahar Sewa Sangha to collect rents from the tenants, who occupied rooms through him. One room was let out to him free of rent to be used as Office. Some time after a double room was given to him free of rent where a library and a school were conducted. Subsequently the collection work was taken over by the Department and the monthly rent of Rs. 8 was demanded from 1-1-1935 from Mr. Nikalje. Negotiations were carried on by Mr. Nikalje for the management to be entrusted to him again and the room to be let free of charge. The negotiations however, failed and Mr. Nikalje was persuaded to give over the possession of the room.

The monthly rent was continued to be shown in the Demand Register and the Deputy Municipal Commissioner's (Improvements) sanction to cancel demand was also applied for. Audit pointed out that the room was in constant occupation on rental basis and as such the question of withdrawal of demand did not arise and the amount should be included in the write-off statement.

The Estate Agent has agreed to do the needful in the matter.

M.C.A. 1239/III 17-7-1940 and M.C.A. 1659/III 7-2-1941 (2) Arrears of Rs. 1,642-9-0 due from Mr. B. R. Bhonsale for occupancy of room in case No. 899/2, Scheme 57, and a piece of land in case 403, in the same scheme was reported to the Estate Agent who replied that the Standing Committee's sanction was obtained to take legal proceedings against the tenant. He since died and subsequently after great difficulty the heirs of the deceased were traced and when the legal proceedings were to be taken against them Dr. Solukhe came forward with a proposal that he would pay off the dues provided the widow was given the temporary lease of the said land for a period of 10 years at a reduced rent. Intimation of the Deputy Municipal Commissioner's (Improvements) orders agreeing to lease the land was conveyed to him but he remained silent inspite of repeated reminders and the matter had since been handed over to the Legal Assistant for taking legal proceedings in the matter.

The Estate Agent's further reply is awaited.

M.C.A. 3006/III 10-8-1942 (3) The tenancy stood in the joint name of Messrs. K. K. Gandhi and C. S. Patel prior to 1st January 1938. It appears to have been transferred subsequently in the name of Mr. Gandhi alone. The outstandings in respect of rent and taxes were Rs. 550 and Rs. 273-4-0 (Rs. 132-13-0 plus Rs. 140-7-0) respectively. A suit was filed against Mr. Gandhi and a decree obtained after a considerable lapse of time, for Rs. 330 for rent leaving a balance of Rs. 220, which was time-barred. The decree also remained unexecuted. As a result of audit insistence to trace out the party, the Estate Agent replied that the party had been traced and the particulars of his liabilities to the Municipality had been furnished to him.

The party's reply is awaited.

M.C.A. 721/III 11-5-1945 (4) Arrears of rent of Rs. 44 at Rs. 11 per month in respect of occupation of room No. 31, 2nd floor, case 36, Scheme 3, was referred to the Department. The Estate Agent replied that the tenant had absconded and the amount would have to be included in the write-off statement.

M.C.A. 827/III 3-7-1945 (5) Arrears of Rs. 167 due from one Mr. L. P. D'Souza for occupation of room No. 1, ground floor, case 26-28, Fort Section, was referred to the Estate Agent.
Reply is awaited.

M.C.A. 1332/III 29-3-1946 (6) 86 Items of heavy arrears of rent for six months and over as on 28th March 1946, in respect of acquired properties, chawls and vacant lands, were referred to the Estate Agent.
Reply is awaited.

Arrears of Court Costs.

M.C.A. 281/III 31-8-1944 (1) 167 Items of outstanding Court costs in respect of ejectment suits.

The Estate Agent explained as under:—

(1) In 26 cases full recoveries were since made.

(2) In 35 cases tenancies were vacated before the decrees were obtained and the suits were marked settled, after recovery of half court costs.

(3) In 71 cases tenancies were vacated after the decrees were obtained and recoveries would be effected from the existing tenants and other parties.

(4) In 5 cases occupancies were in the name of municipal employees and the recoveries were being effected through paysheets.

(5) 27 Cases were under the scrutiny of the Assistant Estate Agent.

(6) Party in one case died before the suit was heard and it was marked as settled after recovering half court costs. In another case the party was reported to have died after the major portion of costs (leaving only Rs. 1-1-0) was recovered.

(7) In one case an ejectment suit was filed as the room was allowed to be overcrowded by the principal tenant, but for want of evidence the case was dismissed by the Court and as such no recovery could be effected.

The Estate Agent's further reply is awaited.

M.C.A. 705/III 3-5-1945 (2) Ten cases of outstanding Court costs in respect of suits filed during the year 1943-44 were referred to the Estate Agent.

M.C.A. 771/III 11-5-1945 (3) Outstanding Court costs of Rs. 12-9-0 in respect of occupation of room No. 31, 2nd floor, case 36, scheme 3, was referred to the Department. The Estate Agent replied that the amount would have to be included in the write-off statement as the ex-tenant had absconded.

Registers of Decrees and Claim Suits.

(1) As reported last year, certain irregularities in the registers of decrees and claim suits, such as omission
M.C.A. 3984 III of entering decrees in the register etc., were pointed out by Audit. Audit further brought
25-10-1943 to the notice of the Estate Agent that several decrees were allowed to lapse without his orders, and amounts of rents were proposed for write-off in certain cases, although the decrees in respect thereof were valid.

(2) The following irregularities in respect of ejectment suit register were referred to the Estate Agent.

M.C.A. 922 III (1) Items of non-recoveries of half Court costs.
20-8-1945 (2) Posting of recovery without receipt number and date.
(3) Decrees for ejectment were obtained from Court but not executed. The registers were also not checked by the Chief Accountant's staff.

M.C.A. 1065 III (3) The following irregularities in respect of claim decrees outstanding from 1940 onwards
22-12-1945 were referred to the Estate Agent:—

(1) Some decrees were not submitted for audit.
(2) Actions for recoveries were not taken in respect of some decrees.
(3) Some decrees were allowed to lapse without taking any action.
(4) Recoveries of decretal instalments were not brought from Court month to month.
(5) Stamp charges were not posted in the claim suit register.
(6) Much delay was caused in obtaining decrees from Court.

The Estate Agent was further requested to entrust the work of the execution of decrees to some responsible officer and to see that decrees were not allowed to be time-barred.

Miscellaneous.

Seven tenements in Scheme 57, appeared to be vacant for one year and over as per Demand Registers.
M.C.A. 448/III A reference was made to the Estate Agent whether the premises were not in a habitable
28-11-1944 condition and if so, what steps were taken to rent them out.

The Estate Agent replied that 4 tenements were earmarked for the Schools Committee and hence they were under repairs; one was got vacated owing to its unsound conditions; one other tenement was occupied by the upper floor tenant as a nahani, as it was not possible to let it out independently and the remaining tenement consisting of 2 attics was not let, as there was no independent access to it.

On inspection in case No. 580 at Worli it was noticed that one Tukaram Mahadeo Mhatre vacated rooms 1-4 on 10-2-1944 leaving arrears of Rs. 34-1-0 on account of rent although he was a tenant in case No. 593, room No. 6, under the name Tukaram Mahadeo. The Estate Agent's reply is awaited.

M.C.A. 532/III of 22-1-1945
M.C.A. 578/III of 17-2-1945
AND
M.C.A. 688/III of 21-4-1945

As a result of test check of the circulating registers the following irregularities were noticed:—

(1) The registers were not maintained upto date.
(2) Adjustments stated to have been proposed during 1942-43 were not found carried out in the Chief Accountant's Books till the end of 1943-44.
(3) Remarks made in the registers by the members of the rent collecting staff were not attested.
(4) Remarks against several items were incomplete.
(5) No action was found to have been taken against defaulters although their addresses were available.
(6) Certain registers were found missing.
(7) No remarks were made against several items.
(8) Some items were written-off without any remarks against them.
(9) No recoveries were found made against some items although remarks such as 'Parties promise to pay' 'Recoverable', arrears are being recovered by instalments', 'Deposits being adjusted', etc., were written against them.
(10) Although no recoveries were made some items in the register bear a remark that the recoveries were made.
(11) No action taken for years together although against some items remarks were made that the parties were being traced.

The Estate Agent replied that instructions had been issued to the staff to maintain the registers upto date and in proper order and to enter remarks therein in ink.

M.C.A. 674 III of 10-4-1945
M.C.A. 806 III of 3-8-1945
M.C.A. 923 III of 20-8-1945
M.C.A. 1029 III of 23-10-1945
M.C.A. 1063 III of 9-11-1945
M.C.A. 1093 III of 22-11-1945
M.C.A. 1103 III of 29-10-1945
M.C.A. 2120/III of 8-12-1945
AND
M.C.A. 1309/III of 5-3-1946

The following irregularities in issuing receipts were reported to the Department:—

(1) Receipts found pasted. (2) Difference in amount and in words and figures. (3) Receipts not signed. (4) Duplicate receipts missing.

Fourteen cases of irregularities in posting of adjustment vouchers in the Demand Registers of Sydenham
M.C.A. 762 III Road and Bellasis Road Chawls were referred to the Estate Agent.
27-5-1945 The Estate Agent's reply is awaited.

Irregularities in maintaining diaries by the rent collecting staff were referred to the Estate Agent who
M.C.A. 842/III warned them to maintain their diaries properly and to show them to their respective Divi-
12-7-1945 sional Officers periodically.

Irregularities in maintaining departmental registers:—

M.C.A. 868/III 24-7-1945 (1) Miscellaneous Revenue Register for 1943-44:—
(*i*) Columns for amount due and reference to cash book folio not filled in.
(*ii*) Names of parties not written.
(*iii*) Entries not attested by the Chief Clerk or Head Clerk and not checked by the Chief Accountant's Staff.
(*iv*) Register not balanced and reconciled.

(2) Khata Books of the Rent Collecting Staff:—

M.C.A. 919/III 13-8-1945 & M.C.A. 1157/III 30-1-1946 (*i*) Columns of progress of checking receipts as and when receipt books were brought in office not filled in.
(*ii*) Day to day audit not conducted by internal staff.
(*iii*) No check exercised by the Chief Accountant's audit staff.

(3) Capital Receipts Registers 1944-45.

M.C.A. 958/III 17-9-1945 (*i*) In the registers of sanctions references to income registers pertaining to Municipal properties not given.
(*ii*) In the registers of premium and commutation, columns for name of parties, demands and payments not filled in.
(*iii*) Registers for encroachments, motor garages, gallery projections, and sitting out places not completed.
(*iv*) Registers not checked by the Chief Accountant's staff.

Statement showing the cases wherein papers were reported to be missing by the Department.

Case No. and Date.	Subject Matter.	Name of the party.	Remarks by the Estate Agent.
M.C.A. 2961/III of 24-7-1942.	Outstanding arrears of vacated tenancies.	(1) Narhari Laxman, (2) Zainal Maulabux. (3) Carloo Farsoo Shiwalkar.	Arrears being very old the papers were not traceable.
M.C.A. 3709/III of 27-3-1944.	Written-off arrears under Standing Committee Resolution No. 1170 of 18-11-1942.	(1) Amiruddin Hussainbhoy. (2) Mahomedali Janmahomed.	Arrears related to the year 1934, an hence no paperd were available.

DIVISION 'B'

Statements of receipts and payments and Balances of Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a Summary Form.

(*Note* 1 :—Unless specially indicated, the figures throughout this report are in lakhs of rupees).
(*Note* 2 :—In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included.)

I.—*Municipal Accounts (Proper).*

Revenue Account.

1. *Explanatory*:—The original Budget Estimate for the year anticipated a revenue deficit of Rs. 49.64. The actuals, however, resulted in a deficit of Rs. 5.76. The improvement of Rs. 43.88 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 40.28 and less expenditure of Rs. 3. 60.

2. *Summary of Revenue transactions for the year.*

	Actuals for 1944-45	1945-46 Budget	1945-46 Revised	1945-46 Actuals
	Rs.	Rs.	Rs.	Rs.
Opening Balance ..	64.01	57.01	69.08	69.08
Income ..	429.77	447.09	468.15	487.37
Expenditure ..	412.95	496.73	516.72	493.13
	16.82 (Surplus)	49.64 (Deficit)	48.57 (Deficit.)	5.76 (Deficit.)
Balance ..	80.83	7.37	20.51	63.32
Recoupment of Advances etc. ..	—11.75	—.02	—1.39	—3.12
Closing Balance.	69.08	7.35	19.12	60.20

Lapsed Grants:—The amounts of lapsed grants estimated to be renewed during the year 1946-47 agreggate Rs. 20.45 against Rs. 18.13 in 1945-46 showing an increase of Rs. 2.32. The details are given in Appendix 4 of the Chief Accountant's Report.

3. Summary of receipts according to service heads as compared with Budget and Actuals of previous year.

Head.	Budget 1945-46	Actuals 1945-46	Increase or decrease over Budget 1945-46	Actuals 1944-45	Increase or decrease in actuals for 1945-46 as compared with those for 1944-45
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, indirect taxation and miscellaneous Revenue	195.87	215.32	+19.45	185.51	+29.81
(2) Water Works ..	125.28	128.52	+3.24	111.29	+17.23
(3) Education Primary ..	9.50	9.73	+.23	9.67	+.06
(4) Education Secondary ..	..	0.02	+.02	.01	+.01
(5) Public Health Department ..	1.97	3.18	+1.21	2.10	+1.08
(6) Medical Relief and Education ..	2.26	2.65	+.39	2.64	+.01
(7) Street Cleansing etc. ..	44.65	48.74	+4.08	45.41	+3.33
(8) Roads, Drains and Sewers ..	18.25	22.65	+4.40	20.04	+2.61
(9) Mechanical ..	0.65	1.74	+1.09	.70	+1.04
(10) Buildings ..	14.51	14.42	−.09	14.77	−.35
(11) Fire Brigade ..	7.41	7.93	+.52	7.49	+.44
(12) Licensing ..	5.51	7.29	+1.78	5.89	+1.40
(13) Gardens and Open Spaces ..	1.17	1.23	+.06	1.09	+.14
(14) Markets and Slaughter Houses ..	16.50	20.62	+4.12	20.14	+.48
(15) Contribution from Capital Funds ..	1.00	0.66	−.33	.58	+.08
(16) Extraordinary Receipts ..	0.90	0.85	−.05	1.06	−.21
(17) Rebate from Government on account of Urban Immoveable Property Tax ..	1.66	1.82	+.16	1.82	..
(18) Excess accumulation in the Plant and Machinery Depreciation Fund. ..	..	..	..	−.44	+.44
Total Rs. ..	447.09	487.37	+40.28	429.77	+57.60

The main items contributing to the net increase of Rs. 40.28 over the Budget are given in para. 6 of the Chief Accountant's Report.

4. Statement from various Municipal Departments of demand, collection and arrears of Municipal dues as on 31st March 1946 have not been received duly reconciled with the figures of the Chief Accountant's Department.

5. *Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year:—*

Head.	Final Budget Grants. 1945-46	Actuals. 1945-46.	Increase or decrease over final Budget grants. 1945-46.	Actuals. 1944-45.	Increase or decrease in actuals for 1945-46 as compared with those for 1944-45.
	Rs.	Rs.	Rs.	Rs.	Rs.
I. General Supervision	16.62	14.37	—2.25	12.77	+1.60
II. Water Works.	88.57	83.32	—5.25	71.42	+11.90
III. Education Primary	65.35	62.34	—3.01	55.04	+7.30
IV. Education Secondary	.55	.44	—.11	.44	—
V. Public Health Department	16.25	12.66	—3.59	11.74	+.92
VI. Medical Relief and Education	37.89	32.94	—4.95	28.70	+4.24
VII. Street Cleansing and Conservancy ..	36.46	33.20	—3.26	31.90	+1.30
VIII. Roads, Drains and Sewers	70.53	61.37	—9.16	64.68	—3.31
IX. Mechanical	20.29	17.00	—3.29	17.74	—.74
X. Buildings	23.08	22.58	— .50	22.75	—.17
XI. Fire Brigade	7.40	6.04	—1.36	5.30	+.74
XII. Licensing	2.23	2.11	— .12	1.98	+.13
XIII. Gardens and Open Spaces	5.00	4.40	— .60	4.49	—.09
XIV. Markets	8.46	7.32	—1.14	7.20	+.12
XV. Contribution towards Improvement Schemes	28.37	28.37	..	27.27	+1.10
XVI. Provident Fund etc.	13.75	11.92	—1.83	11.13	+.79
XVII. Urban Immoveable Property Tax ..	.55	.45	— .10	.46	—.01
XVIII. Grain Compensation	43.33	42.87	— .46	34.60	+8.27
XIX. Grants-in-aid to Public Institutions ..	4.45	3.00	—1.45	2.64	+.36
XX. Measures for Civil Defence	3.08	1.43	—1.65	.70	+.73
XXI. Extraordinary Measures Removal of debris, etc. from the fallen building at Jamshetji Tata Road	45.00	45.00	..	..	+45.00
Total Rs. ..	537.21	493.13	—44.08	412.95	+80.18

The figure of actuals for 1945-46 includes debt charges amounting to Rs. 124.41 of which Rs. 19.04 were on account of Sinking Fund instalments Rs. 43.71 of repayment of Government Loans and advances from Special Funds, Rs. 61.47 on account of interest and Rs. .19 Bank and Miscellaneous charges.

The sanctioned Budget Grant (Original) for 1945-46 was Rs. 496.73. The additional funds made available during year were Rs. 19.15 on account of renewed grants and Rs. 21.33 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 537.21 Against this, expenditure booked was Rs. 493.13 leaving a balance of Rs. 44.08 of which Rs. 20.45 is required to be renewed for expenditure during 1946-47, Rs. 23.63 being treated as savings on final sanctioned grants as detailed in Appendix No. 4 of the Chief Accountant's Report.

Transfers from one budget head to another without affecting the total Budget provision for the year amounted to Rs. 6.37.

Main factors contributing to decreases over the final sanctioned grants are mentioned in para 12 of the Chief Accountant's Report.

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6. *Comparative statement showing the financial position of the last five years:—*

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1941-42 ..	367.66 (*a*)	359.21	8.45	..
1942-43 ..	389.02 (*b*)	364.65	24.37	..
1943-44 ..	403.99 (*c*)	390.96	13.03	..
1944-45 ..	429.77 (*d*)	412.95	16.82	..
1945-46 ..	487.37 (*e*)	493.13	..	5.76

(*a*) Includes Rs. 1.35 on account of interest on the Net Premia Fund and Rs. 1.40 on account of transfer of excess accumulations from the Plant and Machinery Depreciation Fund, (*b*) includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous year, (*c*) includes Rs. 1.29 on account of interest on Net Premia Fund and Rs. .44 on account of excess accumulation in the Plant and Machinery Depreciation Fund, (*d*) includes Rs. 1.06 on account of interest on Net Premia Fund and (*e*) includes Rs. .85 on account of interest on Net Premia Fund.

7. *Liabilities and Assets of Revenue Account.*

LIABILITIES.

		Rs. a. p.	Rs. a. p.
1.	Unpaid amounts of cash and cheque bills and bills for Stores:—		
	(*a*) Cash Bills.	41,045 1 7	
	(*b*) Cheque bills.	12,46,738 0 0	
	(*c*) Stores (Reserve)	91,235 11 6	
	(*d*) Stores (Capital)	11,567 12 0	
			13,90,586 9 1
2.	Reserve for grants to be renewed for meeting outstanding charges for 1945-46 and previous years.		20,44,936 0 0
3.	Interest accrued but not paid.		9,43,530 10 8
4.	Reserve for contribution to Improvement Schemes account falling due in 1946-47. ..		29,30,715 0 0
5.	Stock Adjustment Account.		19 13 6
6.	Deposits from contractors and private parties.		1,73,11,995 10 8
7.	Surplus Revenue Fund.		95,57,846 13 0
		Total ..	3,41,79,630 8 11

ASSETS.

(1) *Cash.*

	Rs. a. p.	Rs. a. p.	Rs. a. p.
A. In current account with Imperial Bank of India.		74,89,334 6 0	
B. On account of Municipal and Trust Loans interest warrants payable accounts—			
1. Imperial Bank of India.			
(*a*) Municipal .. 32,505 7 2			
(*b*) Trust .. 7,944 7 4			
	40,449 14 6		

	2. Hongkong and Shanghai Banking Corporation		4,738	15	4					
	3. The Chartered Bank of India, Australia and China (London)		1,400	0	0					
	4. The Imperial Bank of India, (Calcutta)		.....							
						46,588	13	10		
C.	In Office Treasury					2,30,389	2	0		
D.	Investments in fixed deposits and current accounts with different local Banks.					18,24,416	12	3		
									95,90,729	2 1
(2)	*Securities.*									
A.	With the Imperial Bank of India—									
	(*a*) Municipal Account.		1,20,35,454	0	3					
			18,351	7	0					
	(b) Contractor's Account.		16,59,200	0	0					
B.	In Office.					1,37,13,005	7	3		
	(*a*) Contractor's Account.					58,65,900	0	0	1,95,78,905	7 3
(3)	*Stores, Stock, Advances, etc.*									
	(*a*) Due for Stores sold.								49,204	11 9
	(b) Stock of Stores.								12,67,303	6 9
	(*c*) Interest receivable.								....	
	(*d*) Advances—									
	(*i*) For Plant and Machinery. ..								20,90,325	9 4
	(*ii*) Other advances recoverable, ..								16,03,162	3 9
						Total Rs. ..			3,41,79,630	8 11

Note:—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are excluded from the above statement and shown separately.

8. *Special Funds*:—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called "Fines Fund".

The position of the Special funds as at 31st March 1946 was as under:—

Name of Fund	Balance on 1-4-1945	Credits during the year	Debits during the year	Balance of advances for Capital and other Works	Balance in Cash and securities	Balance on 31-3-1946 (as per columns 5 and 6)
1.	2.	3.	4.	5.	6.	7
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1. Municipal Fire and Accident Insurance Fund.	12,29,064 12 8	53,455 8 0	234 5 0	3,66,044 14 0	9,16,241 1 8	12,82,285 15 8
2. Worn-Out Water Mains Renewal Fund ..	1,788 13 3	56 12 0	Cr. 15 5 0	....	1,860 14 3	1,860 14 3
3. Net Premia Fund	47,24,889 11 7	261 3 0	....	18,00,965 2 6 (*a*)	29,24,185 12 1	47,25,150 14 7
4. Provident Fund	2,37,06,980 11 9	46,09,189 5 0	29,36,160 7 7	....	2,53,80,009 9 2	2,53,80,009 9 2
5. Fines Fund	5,55,945 11 6	48,909 0 6	51530 5 4	7,736 11 0 (*b*)	5,45,587 11 2	5,53,324 6 2
6. Plant and Machinery Depreciation Fund ..	17,43,784 12 9	57,911 5 0	6,521 11 0	10,40,421 5 5 (*c*)	7,54,753 1 4	17,95,174 6 9
7. Renewal of Road Surfaces Fund	29,12,391 6 5	1,71,043 4 0	2,18,257 5 0	7,93,788 12 0	20,71,388 9 5	28,65,177 5 5
8. Garden Fund	97,544 2 6	20,507 3 6	9,718 2 0	....	1,08,333 4 0	1,08,333 4 0
9. Public Monuments Maintenance Fund ..	1,70,630 13 0	....	....	....	1,70,630 13 0	1,70,630 13 0
10. Endowments Fund	3,38,910 1 8	1,10,780 1 1	....	....	4,49,690 2 9	4,49,690 2 9
11. Hospital Fund	6,98,508 7 2	1,21,489 14 0	....	....	8,19,998 5 2	8,19,998 5 2
12. Land Sales Reserve Fund	19,95,849 12 2	59,875 8 0	5,65,139 10 9	14,90,585 9 5	....	14,90,585 9 5
13. Slum Service Fund	1,75,309 4 3	5,308 0 0	....	....	1,80,617 4 3	1,80,617 4 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	1,14,504 7 6	20,272 4 0	....	....	1,34,776 11 6	1,34,776 11 6
15. G.S.M. College and K.E.M. Hospital Research Fund	68,687 0 11	20,484 3 0	4,468 10 0	....	84,702 9 11	84,702 9 11
16. Pre-cast Concrete Slab Pavements Renewal Fund	48,325 0 0	17,847 0 0	....	....	66,172 0 0	66,172 0 0
17. Fidelity Guarantee Insurance Fund ..	19,912 11 0	6,286 4 0	....	....	26,198 15 0	26,198 15 0
18. Post War Reconstruction Fund	....	55,00,000 0 0	....	....	55,00,000 0 0	55,00,000 0 0
Total Rs. ..	3,86,03,027 12 1	1,08,23,676 10 7	37,92,015 3 8	54,99,542 6 4	4,01,35,146 12 8	4,56,34,689 3 0

Note:—The above statement includes items Nos. 4,5,9,10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.

(*a*) include Rs. 1,34,765-2-0 advanced for purchase of plant and machinery for the Municipal printing Press(*b*) includes Rs. 5,000 advanced to the Officer Commanding, Fire Services for conducting a grain Store and Rs. 2,736-11-0 advanced to Municipal Employees under Corporation Resolution No. 15 of 9-4-1942. (*c*) includes Rs. 49,840-5-0 advanced for purchase of plant and machinery and Rs. 43,187-9-5 for meeting expenditure on levelling metalling private streets.

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head.	Budget 1945-46	Revised Estimates 1945-46	Actuals 1945-46	Difference between 3 and 4 (+more) (—less.)
1.	2.	3.	4.	5.
Executed out of Loan Funds.	Rs.	Rs.	Rs.	Rs.
General Supervision	.44	.49	..	— .49
Water Works	9.12	16.52	7.44	— 9.08
Education-Primary (Buildings)	..	.06	..	— .06
Education-Secondary	..	.25	.18	— .07
Public Health	.72	.54	.33	— .21
Medical Relief and Education	1.67	1.65	.43	— 1.22
Street Cleansing and Conservancy	3.14	2.08	.29	— 1.79
Roads, Drains and Sewers	21.71	19.25	5.91	— 13.34
Mechanical	1.95	1.24	.48	— .76
Buildings, Land Acquisition	1.22	1.10	.29	— .81
Fire Brigade	..	.24	.08	— .15
Markets	..	.43	.24	— .19
Slum Service	1.09	1.07	.45	— .62
Measures for Civil Defence	..	1.35	.09	— 1.27
Discount and other charges on Loans	.61	.64	.33	— .31
Plant and Machinery	1.45	3.98	Cr. .17	+ 4.15
Repayment of advance taken from Land Sales Reserve Fund	7.50	7.50	..	— 7.50
Total Rs.	50.62	58.39	16.37	— 42.02
Executed out of Trust Fund	.83	.11	.05	— .06
Worn-Out Water Mains Renewal Fund	..	.01	..	.01
Total Rs.	51.45	58.51	16.42	— 42.09

Remarks:—(1) The Budget of Rs. 51.45 included Rs. .61 on account of discount and other charges on the new loan and Rs. 1.45 on account of purchase of new plant and Machinery and Rs. 7.50 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 58.51 included Rs. .64 on account of discount and other charges on the new loan, Rs. 3.98 on account of purchase of new plant and machinery and Rs. 7.50 for repayment of advance taken from the Land Sales Reserve Fund.

(3) The gross figure of actual expenditure for the year Rs. 16.42+00.96 written off=Rs. 17.38 includes Rs. .33 on account of discount and other charges on loan. The actuals fell short of the Budget (Rs. 51.45) by Rs. 35.03 and of the Revised Estimates (Rs. 58.51) by Rs. 42.09.

10. *Progressive Capital outlay not charged to Revenue upto the end of* 1945-46.

Service Head.	Expenditure upto 1944-45	Expenditure during 1945-46	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I. General Supervision	20.44	..	20.44
II. Water Works	1,004.66	7.44	1,012.10
III. Education Primary	27.92	..	27.92
IV. Education Secondary	..	.18	.18
V. Public Health	16.21	.33	16.54
VI. Medical Relief	82.10	.43	82.53
VII. Street Cleansing and Conservancy	90.92	.29	91.21
VIII. Roads, Drains and Sewers	774.46	5.91	780.37
IX. Mechanical	32.04	.48	32.52
X. Buildings, Land Acquisition and Management	428.62	.29	428.91
XI. Fire Brigade	13.48	.08	13.56
XIII. Gardens	36.77	..	36.77
XIV. Markets and Slaughter Houses	82.16	.24	82.40
XV. Slum Service	6.58	.45	7.03
XVI. Measures for Civil Defence	1.58	.09	1.67
Discount and Other Charges on loans	5.24	.33	5.57
Plant and Machinery	5.92	Cr. .17	5.75
Total Rs.	2,629.10	16.37	2645.47
Executed out of Trust Fund	42.92	.05	42.97
Executed out of worn-out Water Mains Renewal Fund	9.63	..	9.63
Executed out of Buildings Fund	43.03	..	43.03
Total. Rs.	2,724.68	16.42	2,741.10

The Capital Fund Balance Sheet exhibits, on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets Side by expenditure incurred to date and balance of securities and cash (vide Appendix No. 7 of the Chief Accountant's Report).

The expenditure of Rs. 2645.47 out of the Loan Funds shown therein includes Rs. 70.11 on account of interest paid on Capital (Development Loan) and Rs. 20.54 paid as subventions to house owners. The following are the sources from which this expenditure has been financed:—

(1) Loans from Public, Government and Special Funds:—

		Rs.	Rs.
	(*a*) Debt outstanding as per Chief Accountant's Report	1,295.03	
	(*b*) Loans repaid for which credit is given to Loan Redemption Fund.	1,204.73	
			2,499.76
(2)	Premia on Loans		3.21
(3)	Contributions from Special Funds		8.03
(4)	,, Bai Jerbai Wadia Children's Home		7.00
(5)	,, Revenue for Loan Works Establishment		.18
(6)	,, G.I.P. Railway		3.74
(7)	,, B.P.T. for Works Establishment		1.56
(8)	,, Government for School Buildings		5.00
(9)	,, Development Fund		134.32
(10)	,, Government for widening the Love Grove Bridge		.92
	Total Rs. ..		2,663.72
	Less—Assets written off		9.52*
			2,654.20
Expenditure upto 31st March 1946		2,645.48	
Balance (Rs. 8,72,294-13-10)		8.72	
			2,654.20

* The amount of Rs. 9.52 includes Rs. .73 and Rs. .23 written off during the year on account of plant and machinery and subventions to house owners respectively.

11. The position of Loan Funds as estimated in the Revised Budget for 1945-46 and as revealed by the actuals was as under:—

Loan Funds	As per Revised Estimate 1945-46	As per Actuals 1945-46
	Rs.	Rs.
Opening Balance on 1st April 1945	7.61	7.61
Balance of Loan for 1944-45 and New Loan Raised in 1945-46	42.00	22.00
Advance from Special Funds for purchase of plant and machinery, etc.	8.67	1.49
Total ..	58.28	31.10
Less—Repayment of advance from Land Sales Reserve Fund	7.50	5.05
Expenditure.	50.89	17.33
	58.39	22.38
Deficit— Surplus+	—.11	+8.72

Trust Fund Balance.

The balance in the Trust Fund namely Rs. .90 was made up of the following:—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for construction of a Primary School Building ..	.60
(2) Donation from Messrs. Thakordas & Co., Solicitors on behalf of their Client Bai Kailasgoveri for a dispensary near Mombadevi.	.30
Total Rs. ..	.90

12. *Debt Position.*

	Outstanding debt on 1st April 1945	Loans raised during the year	Loans repaid during the year	Balance on 31st March 1946.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ..	466.80	....	42.04	424.76 (*a*)
(2) Public Loans ..	854.27	22.00	58.64	817.63
(3) Internal advances from Special Funds. ..	58.11	1.49	6.96	52.64
Total ..	1,379.18	23.49	107.64	1,295.03

(*a*) Includes Rs. 6.73 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 23.49. Of this Rs. 22.00 were raised by issue of debentures reserved for the investments of the Sinking and Special Funds and Rs. 1.49 were taken as advance from the Municipal Special Funds Amount repaid during the year was Rs. 107.64. Of this Rs. 42.04 were repaid from the current Revenue as annual equated instalments in respect of advances taken from Government; Rs. 6.96 were repaid in respect of advances from Municipal Special Funds (Rs. 1.91 from Revenue and Rs. 5.05 from Capital Receipts, and Rs. 58.64 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 84.15.

13. The following are the figures of outstanding debt, accumulations of Sinking Fund thereagainst and the debt charges paid out of revenue for the last five years:—

Year.	Debt Outstanding.	Sinking Fund accumulations.	Net Debt.	Debt Charges
	Rs.	Rs.	Rs.	Rs.
1941-42 ..	1,549.83	369.77	1,180.06	126.84
1942-43 ..	1,460.73	326.11	1,134.62	125.66
1943-44 ..	1,406.87	332.84	1,074.03	124.58
1944-45 ..	1,379.18	365.29	1,013.89	124.89
1945-46 ..	1,295.03	339.88	955.15	124.41

14. *Position of Sinking Fund.*

Balance on 1st April 1945.	Instalments paid during the year	Interest earned on securities.	*Less*— amount utilised for repayment of loans.	Balance at book value of securities on 31st March 1946.
Rs.	Rs.	Rs.	Rs.	Rs.
365.29	19.04	14.19	58.64	339.88

At the book value of Securities, the Fund stood at Rs. 339.88 valuing the Government and other public securities at Market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 365.48. Adding to this the accrued proportions of interest (not due) on the securities held in the fund as on 31st March 1946, amounting to Rs. 3.11 the total amount comes to Rs. 368.59. Against this the amount of the theoretical valuation of the fund was Rs. 339.96.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory:*—The nominal budget deficit of Rs. 1.98 came down to Rs. 1.08 on the actual closing of the accounts for the year. The collections of revenue and realisation of interest as also the actual expenditure was less by Rs. 0.10 and 0.98 respectively than those budgeted for. The working of the year resulted in the excess expenditure over receipts by Rs. 1.08 which was transferred to the Capital Account. In addition the liabilities outstanding in respect of the renewed grants were Rs. 6.15.

2. *Summary of Revenue transaction for the year.*

	Actuals for 1944-45.	Budget 1945-46.	Revised 1945-46.	Actuals 1945-46.
	Rs	Rs.	Rs.	Rs.
Revenue Receipts ..	102.00	101.05	98.57	100.96
Expenditure ..	99.52	103.02	107.83	102.04
Surplus + .. / Deficit — ..	+2.48	—1.97	—9.26	—1.08

3. The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous years :—

Head.	Budget. 1945-46.	Actuals. 1945-46.	Increase or decrease over Budget (+) (—) 1945-46.	Actuals. 1944-45.	Increase or decrease in actuals for 1945-46 as compared with those for 1944-45. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties ..	59.16	60.27	+1.11	60.05	+.22
(2) Contributions from the Corporation under Section 125 (2) of the Municipal Act. ..	27.69	28.36	+.67	27.27	+1.09
(3) Receipts on account of tobacco duty. ..	10.00	7.52	—2.48	10.00	—2.48
(4) Interest and profits on investments. ..	3.85	4.34	+.49	4.40	—.06
(5) Miscellaneous Receipts. ..	.35	.47	+.12	.28	+.19
Total. ..	101.05	100.96	—.09	102.00	—1.04

4 The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year:—

Head.	Final sanctioned grants. 1945-46.	Actuals. 1945-46.	Increase or decrease over final sanctioned grants. 1945-46.	Actuals. 1944-45.	Increase or decrease in actuals for 1945-46 as compared with those for 1944-45 (+) (—)
	Rs.	Rs.	Rs.	Rs.	Rs.
A.—Maintenance of Properties and Streets ..	33.22	24.41	—8.81	21.39	+3.02
B.—Cost of Management and Establishment ..	11.95	10.72	—1.23	9.79	+.93
C.—Proportionate charges on account of Municipal Supervision ..	1.41	.87	—.54	.90	—.03
Total B and C ..	13.36	11.59	—1.77	10.69	+.90
Deduct—Charged to Capital Account and General Account ..	13.36	11.59	—1.77	10.69	+.90
Total ..	..	..	..	..	..
D.—Debt Charges ..	78.75	77.63	—1.12	78.14	—.51
Total ..	111.97	102.04	—9.93	99.53	+2.51

The final sanctioned grants were Rs. 111.97 comprising of:—

	Rs.	Rs.
Original Budget Grant		103.02
Renewed Grants		5.23
Additional Grants		3.66
Transfers—		
Additions	.21	
Deductions	.15	.06
		Rs. 111.97

Against the final sanctioned grant of Rs. 111.97 the expenditure incurred was Rs. 102.05 leaving a balance of Rs. 9.92 out of which a sum of Rs. 6.15 is required to be renewed for expenditure during 1946-47.

5. Comparative statement showing the financial position of the last five years is given hereunder:—

Year.	Receipts.	Expenditure.	Surplus	Deficit.
	Rs.	Rs.	Rs.	Rs.
1941-42 ..	103.55	97.68	5.87	..
1942-43 ..	87.28	103.48	..	16.20
1943-44 ..	95.45	97.95	..	2.50
1944-45 ..	102.00	99.52	2.48	..
1945-46 ..	100.96	102.04	..	1.08

6. Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department:—

	Demand including arrears.	Recoveries including adjustments	Write-off	Arrears at the close of the year	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Permanent ..	37.03	33.09	..	3.94	10.64
(2) Temporary ..	37.89	24.13	.22	13.54*	35.74

* This includes Rs. 8,87,789 due from Government of India

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements.)

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1945-46.	Revised Estimates 1945-46.	Actuals 1945-46.	Difference between 3 and 4. More (+) or Less (—).
1.	2.	3.	4.	5.
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes ..	20.99	15.54	2.71	—12.83
(2) Miscellaneous ..	1.00	1.00	..	—1.00
(3) Discount and other Charges on Loans ..	..	..	..	..
(4) Cost of Management etc. ..	2.65	2.11	1.01	—1.10
(5) Repayment of Loans ..	..	1.10	.55	—.55
(6) Revenue Deficit ..	1.97	9.26	1.08	—8.18
Total ..	26.61	29.01	5.35	—23.66

REMARKS:—The actuals fell short of the revised estimates by 81.56 per cent.

8. Progressive Capital outlay not charged to Revenue upto the end of 1945-46.

Service Head.	Expenditure upto 1944-45.	Expenditure during 1945-46.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes ..	1,775.82	3.72	1,779.54
Police Accommodation Schemes ..	91.85	..	91.85
Mill Companys' Chawl Schemes ..	9.46	..	9.46
Miscellaneous ..	8.63	..	8.63
Discount on Loans and Expenses ..	14.65	..	14.65
Total ..	1,900.41	3.72	1,904.13*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule "W" and "X".

The expenditure of Rs. 1,904.13 and the net revenue deficits amounting to Rs. 194.20 total Rs. 2,098.33 has been financed from the following sources:—

1. Loans from Public and Government		Rs.	Rs.
(*a*) Debt outstanding as on 31st March 1946 ..		1,577.68	
(*b*) Loans repaid for which credit is given to Loans Redemption Fund ..		61.31	
			1,638.99
2. Extraordinary receipts transferred from S. F. accumulations ..			25.08
3. Special Grants from Government of India ..			54.00
4. Premia on Loan (1936-37) ..			.30
5. Sale proceeds of Land and Buildings			534.09
			2,252.46
Less—			
Expenditure on Schemes	1,904.13		
Revenue deficits	194.20		
		2,098.33	
Balance in Cash and Securities ..		154.13	2,252.46

9. The state of Capital Account was as under:—

Balance on 1st April 1945 ..			130.60
Receipts from sale of Land ..			28.89
Surplus of General Account. ..			..
			159.49
Less—			
Expenditure on Improvement Schemes Account ..		3.72	
Repayment of Loan ..		.55	
Deficits in General Account ..		1.09	5.36
Balance on 31st March 1946 ..			154.13

10. Debt Position

10. *Debt Position*

	Outstanding debt on 1st April 1945.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1946.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ..	848.62	....	5.43	843.19*
(2) Public Loans ..	735.04	....	.55	734.49
Total ..	1,583.66	....	5.98	1,577.68

* Out of Rs. 843.19 outstanding Government Loans, Debentures of the face value of Rs. 281.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 5.43 was repaid to Government in respect of advances taken from them out of the Current Revenue and Rs. .55 to the public in respect of the loan of 1929 from the Capital Fund.

11. The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years:—

Year.	Debt Outstanding	Sinking Fund Accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1941-42 ..	1,632.79	293.47	1,339.32	79.95
1942-43 ..	1,617.89	310.39	1,307.50	79.62
1943-44 ..	1,612.81	330.20	1,282.61	79.48
1944-45 ..	1,583.66	348.66	1,235.00	78.13
1945-46 ..	1,577.68	370.01	1,207.67	77.64

12. *Position of Sinking Fund.*

Balance on 1st April 1945.	Instalments paid during the year.	Interest earned on Securities.	*Less*— Amount utilised for repayment of Loans.	Balance at book value of Securities on 31st March 1946.
Rs.	Rs.	Rs.	Rs.	Rs.
348.66	5.70	15.65	....	370.01

At the book value of securities, the Fund stood at Rs. 370.01. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Debentures at par, the accumulations in the Fund work out to Rs. 373.71. Adding to this accrued proportions of interest (not due) on the securities held in the Fund as on 31st March 1946, amounting to Rs. 1.30 the total amount comes to Rs. 375.01. Against this the theoretical valuation of the Fund was Rs. 318.57.

13. *Statement showing balances in cash and securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities.		Total.
		Face value.	Book Value.	
I.—Municipal Accounts (Proper).				
(1) Revenue Account (including balances of deposits and suspense heads). ..	95,90,729 2 1	1,93,93,100[2]	1,95,78,905 7 3[1]	2,91,69,634 9 4
(2) Special Funds Accounts . ..	58,31,261 14 7	3,63,12,800	3,43,03,884 14 0	4,01,35,146 12 7
(3) Capital Account—				
Rs. a. p.				
(a) Loan Fund .. 8,72,294 13 10				
(b) Trust Fund 90,298 0 4	7,00,490 6 2	2,63,400	2,62,102 8 0	9,62,592 14 2
9,62,592 14 2				
(c) Sinking Fund (Municipal) ..	323 4 4	3,52,82,100	3,39,87,596 13 2	3,39,87,920 1 6
..		£. 25,000		
II.—Improvement Schemes Accounts.				
[1] Capital Account ..	95,57,498 9 4	58,55,800	58,55,800 0 0	1,54,13,298 9 4
[2] Sinking Fund Account ..	264 15 11	3,59,88,400	3,70,00,572 14 3	3,70,00,837 14 2
		£. 90,800		
Total ..	2,56,80,568 4 5	13,30,95,600	13,09,88,862 8 8	15,66,69,430 13 1
		£. 1,15,800		

(1) This includes investment of Rs. 18,351 in the Securities of the face value of Rs. 19,700 on Lessee's account the securities for which are included in the Contractor's securities with the Bank.

(2 & 3) These include the amount of Rs. 52.50,000 invested in securities out of the Surplus Fund and which appears twice over under the account heads "Securities in Office" and "Securities with the Imperial Bank" together with their cost value.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1946.*

	Rs. a. p.
(a) Cash in Office Treasury. ..	2,30,389 2 0
(b) Securities in Office Treasury. ..	58,65,900 0 0
Total (a) and (b) Rs. ..	60,96,289 2 0

(c) Balance as per Pass Book.	..	63,64,808 10 11	
Add—Cheques paid into the Bank on 30th March 1946 to be realised on 1st April 1946.	..	14,27,430 7 7	
Rs.	..	77,92,239 2 6	
Deduct—Amount of cheques delivered but not presented for payment.	..	3,02,904 12 6	
Total (c) Rs.	..	74,89,334 6 0	
Grand total (a), (b) and (c) Rs.	..	1,35,85,623 8 0	

15. The amounts of cash and securities belonging to different Municipal and Improvements Accounts were as under:—

(1) *Cash.*

(A) In the Current Accounts, Interest Accounts and Fixed Deposits with the following Banks:—

Name of Bank.	Current Accounts and interest accounts.	Fixed deposits.	Total.
(1) The Imperial Bank of India—	Rs. a. p.	Rs.	Rs. a. p.
(a) General Fund Account (See Bank Pass Book Reconciliation) ..	74,89,334 6 0	..	74,89,334 6 0
(b) Interest Warrants Payable Accounts— (i) Municipal Loans ..	32,505 7 2	..	32,505 7 2
(ii) Improvement Schemes Loans ..	7,944 7 4	..	7,944 7 4
(c) Current Deposit Account in respect of Sinking Special, Surplus and Loan Funds ..	5,506 9 7	..	5,506 9 7
(2) Hongkong and Shanghai Banking Corporation (Interest on B. I. Trust Loans Payable Account.) ..	4,738 15 4	..	4,738 15 4
(3) The Chartered Bank of India Australia, and China (Interest on B. I. Trust Loans Payable Account.) ..	1,400 0 0	..	1,400 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures	....	..	....
(5) The Chartered Bank of India, Australia and China ..	2,98,573 4 3	..	2,98,573 4 3
(6) The National Bank of India ..	95,545 14 9	..	95,545 14 9
(7) Lloyds Bank Ltd. ..	99,111 4 4	..	99,111 4 4
(8) The Central Bank of India, Ltd. ..	7,93,135 3 7	31,00,000	38,93,135 3 7
(9) The Mercantile Bank of India, Ltd. ..	5,96,962 12 6	..	5,96,962 12 6
(10) Allahabad Bank Ltd. ..	2,48,417 6 10	13,00,000	15,48,417 6 10
(11) Eastern Bank Ltd. ..	4,96,806 12 6	..	4,96,806 12 6
(12) The Bank of India, Ltd. ..	97,479 1 7	50,00,000	50,97,479 1 7
(13) The Bombay Provincial Co-operative Bank Ltd. ..	97,776 3 0	14,00,000	14,97,776 3 0
(14) Union Bank of India Ltd. ..	2,96,129 7 0	..	2,96,129 7 0
(15) The Bank of Baroda, Ltd. ..	2,96,197 6 0	7,00,000	9,96,197 6 0
(16) The United Commercial Bank Ltd. ..	....	10,00,000	10,00,000 0 0
(17) Indian Bank Ltd. ..	4,96,449 15 0	10,00,000	14,96,449 15 0
(18) Punjab National Bank Ltd. ..	4,96,164 9 8	..	4,96,164 9 8
Total (A) Rs. ..	1,19,50,179 2 5	1,35,00,000	2,54,50,179 2 5
(B) In Office Treasury			2,30,389 2 0
Total Cash Rs. ..	1,19,50,179 2 5	1,35,00,000	2,56,80,568 4 5

(2) *Securities.*		Face value. Rs.
(a) In Office Treasury	..	58,65,900
(b) (I) With the Imperial Bank of India:—		
(i) Municipal Corporation of the City of Bombay Securities Account	..	7,73,48,100 (£ 25,000)
(ii) Municipal Corporation of the City of Bombay Securities Accounts "A" "B" and "C".	..	4,05,73,600
(iii) Municipal Corporation of the City of Bombay	..	15,88,300
(II) With the Chartered Bank of India, Australia and China (Bombay)	..	£ 20,800
(III) With the Chartered Bank of India, Australia and China (London)	..	£ 70,000
Total As per certificates Rs.	..	12,53,75,900
£.	..	1,15,800

(c) Debentures with the Government of Bombay for the amount of Rs. 19 lakhs repaid to them on 31st March 1946 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 24th April 1946).	..	19,00,000
	Rs. ..	12,72,75,900
	£. ..	1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with the Bank Pass Books and Banks' certificates and found in order.

(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in the safe custody of the Chief Accountant and found in order.

(*c*) Cash in Office Treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.

(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(*Town Council Resolution No.* 1455, *dated the 6th October* 1879).

A reference is invited to separate letter No. M.C.A. 1762/IV, dated the 10th October 1946, addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding bills of Rates and Taxes and Riot Tax on 31st March 1946.

(4) *Account of Water-marked Paper.*

The account of water-marked paper held in the safe custody of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,

BOMBAY, 10*th October*, 1946.

R. C. MEHTA,

Municipal Chief Auditor.

APPENDIX 'A.'

Statement of charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1945-46.

Sanctioning authority.	No. and Date of sanction.	Particulars of charges	Amount Rs. a. p.
Corporation	.. 872 of 18-12-1944	.. Allowances allowed to N. V. Modak, Esqr., for attending the Annual Meeting of the Institute of Engineering at Hyderabad (Deccan.). ..	227 12 0
Do.	s.. 332 of 23-7-1945	.. Amount of Compensation as a practical token of sympathy of Corporation paid to the parents of Abdul Rashid deceased, a student of R. C. Mahim Urdu Boys' School who died at K.E.M. Hospital. ..	5,000 0 0
Do.	.. 873 of 18-12-1944	.. First-Class Railway fare from Bombay to Hyderabad (Deccan) and back for attending the Annual Session of the Institute of Engineers (India) held at Hyderabad, allowed to E. A. Nadirshaw, Esqr. ..	136 6 0
Do.	.. 756 of 17-12-1945	.. Allowances allowed to N. V. Modak, Esqr., for attending the Annual Meeting and the Silver Jubilee Celebrations of the Institute of Engineers (India) held at Calcutta. ..	299 10 0
Municipal Commissioner	.. A/504 of 19-2-1946	.. Charges incurred in connection with the visit to Bhivapuri by Members of Works Committee on 2-12-1945.	
		(1) Messrs. Tambe & Sons' Bill for catering arrangement. ..	100 0 0
		(2) Municipal Secretary's bill for expenses incurred by him for purchase of fruits, etc. conveyance, etc. .	34 11 0
		(3) Bill of sundry expenses incurred by Mr. S. S. Mankar, Inspector, W.W. ..	5 0 0
Do.	.. Nil of 27-3-1946	T.A.O. (Printing)'s bill for printing papers, etc. of Head Clerks' Examination held in 1945. ..	27 7 0
		Total ..	5,830 14 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1915-16.

(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-Keeper			
	Opening Balance	Receipts.	Total.	Issues.	Closing Balance	Opening Balance	Receipts.	Issues.	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
General Stores	9,41,034 5 1	13,64,055 1 9	23,05,089 6 10	14,11,555 5 7	8,93,534 1 3	6,96,947 0 11	13,69,219 10 11	13,61,368 10 2	7,04,798 1 8
General Stores Surplus Obsolete	..	..	..	..	..	..	..	..	..
Line Suspense Account.	86,666 1 10	1,655 0 0	88,321 1 10	10,395 11 7	77,925 6 3	86,632 7 10	1,763 12 0	10,470 13 7	77,925 6 3
Line Suspense Account Surplus and Obsolete.	..	..	..	..	..	..	..	..	..
Capital Stores	2,51,825 2 3	6,17,066 9 0	8,68,891 11 3	5,73,047 12 0	2,95,843 15 3	2,15,964 3 3	6,17,998 13 0	5,78,377 2 0	2,55,585 14 3
Total Rs.	12,79,525 9 2	19,82,776 10 9	32,62,302 3 11	19,94,998 13 2	12,67,303 6 9	9,99,543 12 0	19,88,982 3 11	19,50,216 9 9	10,38,309 6 2
						Balance as per column 6		..	12,67,303 6 9
						Difference (a)		..	2,28,994 0 7

(a) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 2,29,003-0-7 against the grants of the different departments counterbalanced by a sum of Rs. 9 which was not taken on the Stock Account in the Chief Accountants Office.

Remarks:—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE II.

Report on the Schools Committee's Accounts.

(*Note*:—The figures in this report are in lakhs of rupees unless otherwise expressly stated.)

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee including renewed and additional grants aggregated to Rs. 63.03. Against this the actual contribution paid to the Schools Committee amounted to Rs. 60.07. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this a sum of Rs. 55,233-1-9 being the amount of unspent balance of contribution drawn by the Schools Committee for 1945-46 was held by the Schools Committee as on 31st March 1946. The sum of Rs. 55,233-1-9 is treated as an advance to the Schools Committee in the accounts of the Municipal General Fund for 1945-46.

2. Summary of receipts and payments for the year:—

Particulars.	Actuals 1944-45	Budget 1945-46	Revised 1945-46	Actuals 1945-46
	Rs.	Rs.	Rs.	Rs.
1. Receipts (inclusive of opening balance)	53.30	59.41	61.23	60.62
2. Payments	53.10	59.21	61.03	60.42
3. Balance	.20	.20	.20	.20
4. Minimum Cash Balance	.20	.20	.20	.20

Lapsed Grants:—The amount of lapsed grants estimated to be renewed during the year 1946-47 aggregated to Rs. 1.74. The amount of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt charges, New Works, Medical Inspection of School Children, supply of milk to undernourished needy children attending Municipal Schools etc. amounted to Rs. 4.19 which when added to the sum of Rs. 60.42 brings the total expenditure on Primary Education of the City to Rs. 64.61.

3 The following is a summary of receipts under different heads:—

	Rs.
Contribution from Municipal General Fund	60.07
Fees from Municipal Schools	.26
Interest on Endowment and Trust Funds	.06
Miscellaneous Receipts.	.03
Total Rs.	60.42

4. The following statement gives transactions of the Schools Committee's accounts for the last five years:—

Year	Receipts including opening balance	Expenditure	Closing Balance
	Rs.	Rs.	Rs.
1941-42	41.25	41.05	.20
1942-43	42.04	41.84	.20
1943-44	47.00	46.80	.20
1944-45	53.30	53.10	.20
1945-46	60.62	60.42	.20

5. The total assets and liabilities of the School Fund on 31st March 1946 as shown in the Balance Sheet were as under:—

Assets.	Rs.	a.	p.	Rs.	a.	p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of the face value of Rs. 2,11,600 ..				2,11,029	5	6
2. Advances and deposits recoverable—						
(*a*) Advances to Officers ..	539	0	0			
(*b*) Advances to Teachers ..	3,761	3	0			
(*c*) Deposit with the Garrison Engineer for water charges .	5	0	0			
				4,305	3	0
3. Cash Balances—						
(*a*) With the Imperial Bank of India ..	1,60,791	6	8			
(*b*) In office treasury ..	1,731	14	3			
				1,62,523	4	11
Total Rs. ..				3,77,857	13	5

Liabilities.

			Rs. a. p.
1. Advance from the Chief Accountant on account of the unspent balance of Municipal contribution held in the School Fund			55,233 1 9
2 Sundry Deposits:—			
(*a*) Unclaimed wages for Schools and Office	..	24,803 4 3	
(*b*) Miscellaneous Deposits	..	37,149 10 9	
(*c* Unclaimed Rent	..	4,848 0 0	
(*d*) From Contractors	..	4,350 0 0	
(*e*) Schools Committee's Employees' Co-operative Credit Society	..	1,269 3 0	
(*f*) Income Tax recoveries	..	4,313 1 0	
(*g*) Court Attachment recoveries	..	3 0 0	
			76,736 3 0
3. Trust Scholarship and Prize Funds—			
(*a*) Investments of the face value of Rs. 2,11,600	..	2,11,029 5 6	
(*b*) Cash	..	14,859 3 2	
			2,25,888 8 8
4. Statutory Balance	..		20,000 0 0
		Total Rs. ..	3,77,857 13 5

The cash balance with the Schools Committee on 31st March 1946 on account of the Municipal contribution drawn in excess during the year was Rs. 55,233-1-9 in addition to the statutory cash balance of Rs. 20,000. It is not intended to allow such large amounts to remain in the School Fund account. It is not difficult to make an account of the approximate cash balance left with the Schools Committee in the last week of the year and hand over back the excess to the Chief Accountant on 31st March of the year. The Secretary, Schools Committee and the Chief Accountant should see that such an account is made up in future and the excess is recouped to the Municipal Fund on the last day of each year.

6. *Donations*: Securities for Rs. 15,000 pertaining to Jairajbhai Peerbhai Girls' School Trust Fund received by the Secretary, Schools Committee, from the Reserve Bank of India, have not been taken on the books of accounts and not shown in the accounts under report.

7. *Provident Fund*: The net liability on account of Provident Fund as shown by the individual accounts of the subscribers prepared by the Schools Committee's Office viz., Rs. 70,37,398-5-0 agrees with the invested balances as shown in Appendix No. 6 of the Chief Accountant's report as follows:—

				Rs. a. p.
Balance on 1st April 1945 on account of Schools Committee's Employees			..	64,88,908 5 0
Add (1) Receipts on account of subscriptions and contributions during 1945-46	Rs. a. p. .. 5,49,895 15 0			
Less Payments on account of subscription and contribution in respect of Schools Committee's employees	.. 1,72,895 2 0			
		3,77,000 13 0		
(2) Interest allowed on provident fund accounts of the Schools Committee's employees	2,70,643 13 0			
Less—Payments during the year	99,154 10 0			
		1,71,489 3 0		
				5,48,490 0 0
			Total ..	70,37,398 5 0

8. During the year a sum of Rs. 33-12-0 on account of excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, etc., covering 10 cases was recovered from the members of the staff and the parties concerned. Various other omissions and inaccuracies were detected in the course of test-audit, some of which have been got rectified and others are under correspondence. As stated in the previous audit reports more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is necessary.

9. Government grant received during the year was Rs. 9,68,853-0-0, as under:—

		Rs.
(1) Grant for 1945-46 for Primary Education		9,45,000
(2) Grant for paying grant-in-aid to Primary Departments of English Teaching Schools for 1945-46	..	25,280
		9,70,280/-
Less Excess grant paid by Government in 1944-45 recovered by them for grants-in-aid to Primary Departments of English Teaching Schools	..	1,427/-
	Total ..	9,68,853

In addition to the above the Government Grant for Training Institutions received by the Schools Committee's Office in the month of March 1946 and forwarded to the Chief Accountant in 1946-47 was Rs. 3,000 as follows:

		Rs.
(1)	Byculla Training Class ..	2,000
(2)	Rahimtulla Currimbhoy Training Institute ..	1,000
	Total ..	3,000

As pointed out in the previous audit reports estimated rent for schools located in the buildings built at Municipal cost or donated by public is not assessed and charged to the School Fund and consequently it is not included in the figures of cost of Primary Education given by the Schools Committee in their statement of accounts. (Vide Standing Committee Resolution No. 640 of 15-8-1945.)

10. Arrears of School Fees on 31st March 1946 as certified by the Secretary, Schools Committee, were Rs. 6,074-4-0.

11. The cash balance of Rs. 1,731-14-3 was counted and found correct. The reconciled balance in the Bank as per Cash Book viz., Rs. 1,60,791-6-8 was examined with the bank statements and certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1944-45 and 1945-46 and detailed audit remarks on the Schools Committee's Accounts are appended hereto and marked respectively appendix 'A' and appendix 'B'.

14. Appendix 'C' gives month by month the position of the number of teachers to pupils. The figures have been supplied by the Secretary, Schools Committee.

MUNICIPAL OFFICES,

BOMBAY, 10*th October* 1946.

R. C. MEHTA,

Municipal Chief Auditor.

APPENDIX 'A'.

Comparative Statement showing the expenditure incurred by the Schools Committee during 1944-45 *and* 1945-46.-

Particulars.	Expenditure.		Increase.	Decrease.
	1944-45	1945-46		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Head Masters and Teachers ..	26,75,887 0 9	28,67,018 2 9	1,91,131 2 0	....
Servants ..	2,28,287 8 0	2,77,748 8 0	49,461 0 0	....
Rents ..	5,53,518 12 10	5,56,290 11 4	2,771 14 6	....
Class Books for Teachers ..	6,459 12 5	5,632 7 6	....	827 4 11
School Furniture ..	2,691 12 0	5,602 3 0	2,910 7 0	....
Prizes ..	....	4 8 0	4 8 0	....
School Contingencies ..	31,159 5 0	32,217 11 3	1,058 6 3	....
Scholarships ..	4,729 2 6	5,271 14 0	542 11 6	....
Special Expenses in Schools ..	39,264 1 2	50,494 14 9	8,552 8 7	....
Magazines for Schools ..	2,678 5 0			
Sewing and Drawing ..	4,860 8 7	9,618 0 0	4,757 7 5	....
Uniforms and Umbrellas ..	4,304 10 9	1,949 3 0	....	2,355 7 9
Printing and Stationery ..	20,774 4 0	16,120 10 0	....	4,653 10 0
Miscellaneous Expenses ..	10,351 12 2	11,925 15 0	1,574 2 10	....
Sports ..	524 9 0	650 12 9	126 3 9	....
Local Committees ..	841 1 3	846 2 3	5 1 0	....
Visual Instruction ..	91 0 0	74 14 0	....	16 2 0
Sloyd and Handicrafts ..	7,493 1 7	10,984 5 11	3,491 4 4	....
Boy Scouts and Girl Guides ..	13,916 5 3	17,037 15 9	3,121 10 6	....
Audit Establishment Charges ..	5,467 10 0	5,800 0 0	332 6 0	....
Hindustani Training Class ..	....	4,866 12 3	4,866 12 3	....
Grain Compensation ..	8,38,137 3 0	11,49,326 11 0	3,11,189 8 0	....
Stipends to Teachers ..	4,254 2 0	4,725 14 0	471 12 0	....
Superintendents and their establishments ..	1,53,335 2 3	1,58,296 4 9	4,961 2 6	....
Grants-in Aid to Primary Schools ..	2,81,975 0 0	3,29,014 0 0	47,039 0 0	....
Teachers' Library ..	6,299 6 6	4,470 8 3	....	1,828 14 3
Superintendent, Aided Schools ..	15,726 1 0	16,289 11 0	563 10 0	....
Census Establishment ..	31,795 10 6	41,341 1 3	9,545 6 9	....
Pensions and Gratuities ..	1,44,706 12 0	1,65,335 6 0	20,628 10 0	....
Municipal Contribution towards Provident Fund ..	2,09,023 13 0	2,81,602 9 0	72,578 12 0	....
Repairs to School Buildings ..	11,570 13 0	11,545 8 0	....	25 5 0
Total Rs. ..	53,10,124 9 6	60,42,123 4 9	7,41,705 7 2	9,706 11 11

APPENDIX 'B'.

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads:—

I.—Revenue and Receipts

II.—Recoveries of excess or wrong payments as well as the dues left unrecovered for unduly long periods.

III.—Measures resulting in new recurring and non-recurring commitments.

IV.—Internal audit and control.

V.—Non-observance of Municipal Service Regulations.

VI.—General.

VII.—Reports sent to the Standing Committee.

I.—Revenue And Receipts.

A.—Fees.

The following kinds of defects were noticed in the quarterly statements of fees received from the Superintendents and in the Register of Fees maintained by the Accounts Section:—

M.C.A. 1056/II of 8-11-1945
M.C.A. 671/II of 10-4-1945
M.C.A. 927/II of 27-8-1945
AND
M.C.A. 1284/II of 14-2-1946

(1) Amounts shown in the statement differed from those entered in the Register.
(2) The statements were not checked with the registers by the Schools Committee's Office staff and were not certified as tallied with the School Registers.
(3) Totals in the statements were not taken month by month.

B.—Sub-tenants in arrears.

M.C.A. 1039/II 27-10-1945 (1) A statement of arrears of rent of more than three months due from twenty sub-tenants was sent with a request to take steps for their recovery. Arrears except those from Special Officer (Milk) have since been recovered.

M.C.A. 1201/II 28-6-1940 (2) As mentioned in the audit report for 1943-44, arrears of rent amounting to Rs. 80 for the year 1938 were due from a sub-tenant against which only Rs. 65 have since been recovered.

C.—Government Grant-in-aid to the Training Institutions.

M.C.A. 354/II 13-10-1944 An expenditure of Rs. 4,559-12-0 on account of furniture for Byculla Training Class for Men was not admitted for Government Grant by the Educational Inspector, Bombay Division, with a note that a special equipment grant might be claimed. As no such claim was preferred by the Department, the Secretary, Schools Committee, was requested to do the needful.

II. Statement showing the excess or wrong payments recovered at the instance of Audit.

Serial No.	Case No. and Date.	Particulars.	Amount Rs. a. p.
1.	M.C.A./833/II of 4-7-1945	Excess payment of Dearness Allowance.	17 1 0
2.	M.C.A./786/II of 9-6-1945	Full pay for a day while on leave without pay.	1 1 0
3.	M.C.A./668/II of 10-4-1945	Conveyance allowance while on leave	0 5 0
4.	M.C.A./1152/II of 18-12-1945	Excess payment of salary and dearness allowance	1 3 0
5	M.C.A./1185/II of 14-1-1946	Payment for two days before the actual date of appointment	3 11 0
6.	M.C.A./1211/II of 18-1-1946	Do.	3 11 0
7.	M.C.A./1095/II of 23-11-1945	Paid for the day of absence.	1 11 0
8.	M.C.A./1119/II of 8-12-1945	Excess payment on account of insurance premium.	0 1 0
9.	M.C.A./1037/II of 27-10-1945	Interest allowed in excess on provident fund municipal contribution.	4 5 0
10.	M.C.A. 1268/II of 7-2-1946	Excess payment in a bill for painting boards.	0 11 0
		Total Rs. ..	33 12 0

III Extra measures resulting in new recurring and non-recurring commitments.

M C A. 1264 II 31 I 1946 (1) Mr M. P. Shah, the Superintendent, Gujrati Boys' and Hindi Schools on Rs. 225 in the grade of Rs. 225-15-300 was asked to look after, in addition to his own work, the work of the Superintendent, Gujrati Girls' Schools and an additional pay of Rs. 100 per month was sanctioned (Schools Committee Resolution No. 803 of 3-10-1945.)

Under Note (a) to Rule No. 56 of the Municipal Service Regulations when a municipal servant is appointed to look after the work of another post, he is paid 1 10th of the presumptive pay of the second post and the grant of an additional pay of Rs. 100 was therefore not in accordance with the spirit of the rule and the practice followed by all other Departments of the Municipality. Such cases cannot be also dealt with under Rule 56 (*a*) 2), as the employees concerned cannot be expected to discharge adequately the duties of the two posts simultaneously. The payment of Rs. 100, therefore is not tenable under the rules in force. The Secretary, Schools Committee, therefore, was asked to do the needful and advise.

The letter was placed before the Schools Committee for their instructions in the matter and resolution No. 18 of 17-4-1946 was passed to the following effect:—

"The Committee feel that there was nothing wrong in paying Rs. 100 per month as additional pay to Mr. Shah as he had discharged quite satisfactorily the duties attached to the post of the Superintendent, Gujrati Girls' Schools, in addition to performing the duties of his substantive post."

Non-observance of the restrictions laid down in the Rules may have the ultimate effect of loosening the control over expenditure which is the main object of the rules.

A.C.1678 2 8 1945 (2) Cases were noticed where the appointments of lady teachers were made only a few days prior to the date from which the maternity leave was applied for. In one case a teacher applied for maternity leave from the date of her appointment. In another case the teacher applied for leave from the next day of her appointment. The Secretary, Schools Committee, was informed that it was desirable to postpone appointments in such cases, till after the time the ladies were fit to join and serve the Municipality so as to avoid creating unnecessary liability on the Municipal Fund on account of the grant of maternity leave almost from the very beginning of their appointments.

IV.—Internal Audit and Control.

(1) *Postings in the Ledger.*

M.C.A. 1082 II of 15-11-1945 AND M.C.A. 670 II of 10-4-1945 — Several mistakes were found in the cash book postings into the ledger for February July, August and September 1945, and about 15 entries were omitted to be posted into the ledger.

The mistakes were duly rectified after audit reference was made. This means that the monthly tally of the books is not carried out so as to locate the mistakes and differences in time.

(2) *Passing of the Miscellaneous bills.*

M.C.A. 719 II of 11-5-1945, M.C.A. 1046 II of 27-10-1945 AND M.C.A. 1052 II of 8-11-1945 — (*i*) Usual certificates regarding the receipt of supply of goods or execution of work, checking of rates and amounts of clains admitted etc were not given on certain vouchers.

The Secretary, has been duly intimated to carry out such primary requirements before the bills are passed for payment.

M.C.A. 1150 II 18-12-1945 (*ii*) A bill for repairs for Rs. 381-14-0 from the Assistant Engineer (Architect) in favour of Contractors Messrs. Nirmala & Co., was not countersigned, either by the Head Master, Superintendent or the Secretary, Schools Committee.

M.C.A. 1212 II 18-1-1946 (*iii*) Payment of conveyance bill to a teacher was made before the same was passed for payment.

(3) *Bills paid without sanction of the Schools Committee.*

M.C.A. 1215 II 18-1-1946 (*i*) Sanction of the Schools Committee to the rates, quantities etc., for the supply of exercise books to the Hindi Training Classes was not obtained.

M.C.A. 1259 II 31-1-1946 (*ii*) Schools Committee under their Resolution No. 497 of 25-7-1945 approved the Secretary's proposals, to accord their sanction for making purchases of various materials costing Rs. 29,300 and also to authorise her (1) to invite quotations by advertisements, (2) to place orders with suitable firms and (3) to pay bills therefor.

This method of the Schools Committee of authorising their Secretary to make purchases in the above manner was contrary to accepted principles of sanction. The correct procedure for the Secretary to follow was to invite quotations for the requirements already provided for in the Budget, or approved under special allotments and thereafter to submit concrete proposals for sanction of the Schools Committee, showing therein the quotations received, rates and their cost and the sources from which the cost was to be met. Sanction for the payment of advertisement bills also should be obtained at the same time. The Secretary has been advised to follow this procedure strictly in making purchases for the Schools Committee's Department.

(4) *Dearness allowance to part-time employees.*

Declaration from a part-time employee that he did not work elsewhere is required to make him entitled for dearness allowance at full rate. Such declarations were not found attached to pay bills of the following employees.

M.C.A. 777 II (*i*) 5 part-time peons on Marathi Girls' side for February 1945.
7-6-1945

M.C.A. 853 II (*ii*) A part-time peon of Gujrati Boys' side for the period from 12-1-1945 to 31-1-1945.
1-2-1945

(*iii*) A part-time peon of Madanpura Urdu Boys' School for March 1945. (He was employed in the
M.C.A. 875 II Government Subsidised Mill Scheme.) He was also paid full dearness allowance for periods
2-7-1945 from 9-1-1945 to 19-1-1945 and from 1-2-1945 to 28-2-1945.

M.C.A. 876 II (*iv*) 5 part-time peons on Urdu Boys' and Girls' side for January and February 1945.
20-7-1945

M.C.A. 1048 II (*v*) 8 part-time peons on the Urdu Boys' and Girls' side for April 1945.
8-11-1945

(5) *Postings in the Fees Registers.*

M.C.A. 1054 II Recoveries of fees from July to September 1945 from Gujrati and Hindi Schools were not
8-11-1945 posted upto November 1945 in the Registers.

(6) *Bills for Magazines.*

M.C.A. 1154 II Sanctions were not quoted on the paid bills of subscriptions of magazines.
18-12-1945

(7) *Scholarship Bills.*

(*i*) A student of R.C. Training Institute was paid stipends at Rs. 15 per month as against Rs. 20 shown
M.C.A. 1050 II in the scholarship register. The Secretary, Schools Committee has been asked to reconcile
8-11-1945 this difference.

M.C.A. 1097 II (*ii*) (*a*) Twelve scholarship bills did not bear the usual certificates that the students were
23-11-1945 not in receipt of Government Scholarships.

(*b*) A pupil left the school from 18-7-1944 and was again admitted from 11-9-1944. This fact was not noted in the Scholarship Register to avoid payment being made for the period he was absent in School.

(*c*) The certificates that the claim had not been previously passed for payment was not given on the stipend bill of the R.C. Training Institute.

(*d*) The scholarship bills were not passed by the Superintendent of Accounts.

(*e*) Scholarship of Rs. 6 paid for three months from March to May 1945 was not posted in the Register.

(*iii*) A sum of Rs. 9 was paid to the Head Mistress of Madanpura U.P. Girls' School for disbursement
M.C.A. 1193 II of scholarship to a student. After audit called for the scholarship bill, the Head Mistress
16-1-1946 paid the amount to the student after about seven months and she explained that as she was new to the school, the scholarship remained to be paid.

(*iv*) As reported in the annual report for 1943-44 that in several cases of teachers under training, the
M.C.A. 4032 II dates of their joining the training colleges (as shown in the Absentee Statements) differed
2-12-1943 from those given in the Stipends Register. The Secretary, Schools Committee explained that the difference was due to non-receipt of applications for leave for the days of journey the teachers had to undergo to join the Training Colleges. Necessary corrections have since been made.

(8) *Provident Fund Accounts.*

(*i*) In one case, although the subscriber died on 30-4-1944 the interest on municipal contribution was
M.C.A. 1037 II allowed upto 31-3-1945.
27-10-1945 (*ii*) In two cases, interests on subscriptions were allowed less by Rs. 10-12-0 and Re. 1.

(9) *Local Committees.*

M.C.A. 1153 II (*i*) Remarks as to sanction to the acting appointments, (2) nature of leave, (3) number of
18-12-1945 meetings of the Local Committees, etc., were not made on the office paybills for June 1945.

(*ii*) Peons were allowed to draw an allowance of annas eight per meeting during the months in which
M.C.A. 80 II there were no meetings of the Local Committees, as reported last year. The Secretary,
12-5-1944 Schools Committee, has been further asked to give in the paysheets, dates of meetings and the names of peons in attendance at each meeting.

(10) *Advances paid to Officers.*

M.C.A. 1033 II (*i*) Advances paid to Officers for Departmental purposes were not submitted for audit
27-10-1945 scrutiny within a reasonable time.

(*ii*) A statement showing various items of expenditure incurred out of advances given to the departmental
M.C.A. 1036 II officers, but not signed by the Superintendent of Accounts in token of his having checked
27-10-1945 and scrutinised them was forwarded to the Secretary, Schools Committee, to do the needful.

(*iii*) As reported last year, an advance of Rs. 200 was paid to the Assistant Organizing Commissioner
M.C.A. 371/II for Boy Scouts for Patrol Leaders' Week and Training Camp, out of which a sum of Rs. 120
28-10-1944 was spent by him. As the dates on which camps were held and the certificates from responsible persons regarding the actual incurrence of expenditure on conveyance, meals, tea, etc., were not given, the Secretary, Schools Committee was asked to send relevant registers and records. On perusal of records received, it was noticed that names of the six scouters who were paid Rs. 4 each for their expenses did not appear in the muster sheet, whereas 19 scouters who were marked present were not paid. Besides, the attendance at the Camps was kept on loose muster sheet in pencil. It appeared that intimations about the proposed dates of the camps and of the attendance thereat were not sent to the office, with which the bills could be checked.

The Secretary, Schools Committee, has been written to in the matter on 6-12-1945, but no reply has yet been received.

(*iv*) Advances amounting to Rs. 886-4-0 were given to the Supervisor of Handicrafts on various dates and expenditure therefrom to the extent of Rs. 526-3-1 was incurred by him as on 31-3-1945 and the balance as reported by him on that day was Rs. 360-0-11. However, when called upon to produce cash balance for verification he could not do so and stated that it was at home.

M.C.A. 672/II
10-4-1945

(*v*) Out of an advance of rupees 183 given to the Supervisor of Handicrafts, an amount of Rs. 139-0-6 was spent upto 30th March 1945 and the balance of Rs. 43-15-6 was found refunded to the office so late as 15-5-1945.

M.C.A. 1047/II
8-1-1945

(11) *Handicrafts Exhibition (March 1945.)*

(*a*) The amounts of sale proceeds of the exhibition collected every day were not fully remitted to office, but only in round sums. Payment of an amount of Rs. 18-6-6 collected on 5-6-1945 was found delayed for over a period of two months.

M.C.A. 886/II
2-8-1945

(*b*) The accounts of the sale proceeds were not checked by the Accounts Section.

(*c*) The disposal of articles whether sold or returned was not shown in a number of cases.

(*d*) Discrepancies in the cash memo books were noticed as shown below, e.g.—

(*i*) Alterations were not attested.

(*ii*) Duplicates were made in pencil.

(*iii*) Additions to amounts were made in pencil.

(*iv*) Intervening blank receipts were not cancelled.

(*v*) Receipts were not signed and some were without dates.

(12) *Office and School Paysheets.*

(*a*) Payments for the difference on account of adjustment of salaries of teachers from July 1944 to February 1945, through supplementary bills, were not noted in the respective monthly pay-bills.

M.C.A. 730/II
16-5-1945

(*b*) Irregularities of the following nature were of common occurrence.

M.C.A. 1116/II of 6-12-1945 } (*i*) Budget strength not shown.
} (*ii*) Sanction not noted.
M.C.A. 1213/II of 18-1-1946 } (*iii*) Absentee statement not attached to supplementary pay bills.

MC.A. 718/II
11-5-1945

(*iv*) Certificates regarding House Rent Allowance allowed etc., not given

(*v*) Leave periods not shown.

M.C.A. 1216/II of 18-1-1946 } (*vi*) Date of resumption not given.
M.C.A. 784/II of 9-6-1945 } (*vii*) A peon of Currey Road Marathi Boys' School was paid House Rent Allowance, while he was, it is learnt, residing in the School premises.

(13) *Delayed Payment of Bills.*

Three bills pertaining to 1940-41 were paid after a lapse of about four years in May 1945. The Secretary, Schools Committee, was therefore, requested to maintain a register of bills to avoid such long delay.

M.C.A. 731/II
18-5-1945

(14) *Leave Registers.*

The following irregularities were noticed:—

M.C.A. 778/II of 7-6-1946 } (*i*) Entries in respect of leave were made in pencil.
AND } (*ii*) The leave accounts were not completed long after the resumption of the employees on leave.
M.C.A. 1192/II of 11-1-1946 }

(*iii*) Entries were not attested.

(*iv*) References to the postings of leave in some cases were not marked on the absentee statements in token of verification of the leave.

(15) *Contingency bills and standing advances to Head Teachers.*

(*i*) A number of contingency bills passed under a summary were not found attested by the Superintendent of Accounts. The Secretary, Schools Committee, has been requested to see that the established practice is followed in this respect in future.

M.C.A. 1049/II
8-11-1945

(*ii*) Certificates for fixed advances given by teachers varied with those shown by them in the monthly contingency bills.

M.C.A. 1100/II
28-11-1945

(16) *Register of Physical Culture and Music Books.*

The following irregularities were noticed:—

M.C.A. 1117/II
6-12-1945

(*a*) Accounts were not closed on 31-3-1945.

(*b*) Stock as on 31st March was not certified.

(*c*) The sale of four copies and supply of one copy to a school was not shown in the accounts of Urdu Physical Books.

(*d*) Balance of Gujrati Physical Culture Books was not correct.

V. Non-Observance of the Municipal Service Regulations.

(1) As reported last year, a teacher summoned to give evidence in a civil case was paid the subsistence allowance for the day received from the Court, in addition to his salary for that day. As he was not entitled to the subsistence allowance, the Secretary, Schools Committee, has been requested to recover it from the teacher.

M.C.A. 420/II
14-11-1944

(2) Sanction of the Schools Committee has not still been obtained in two cases to the modification of leave on average pay granted in excess of four months at a time in contravention of the Municipal Service Regulations and subsequently adjusted at the instance of audit.

M.C.A. 156/II of 15-6-1944
AND
M.C.A. 162/II of 16-6-1944

(3) An assistant school teacher was reported to be working as a Revenue and Police Patel at his native village, while on leave for three months and five days, without sanction of the Schools Committee to take up the appointment during the period of leave. The teacher is retaken in the service. No reply is received from the Secretary as regards the recovery of his leave salary.

M.C.A. 3990/II
5-11-1943

VI. General.

(1) To an audit query as to why 2 buckets purchased by a school from the market were not ordered out from the Controller of Stores, the Secretary, Schools Committee, replied that they could have been ordered from the Controller of Stores, but it would not be possible always to order petty things required every now and then from him.

M.C.A. 717/II
11-5-1945

Such needs of the various schools should be noted in one place and the indent for the total requirement should be placed with the Controller of Stores who is an authorised agency to purchase stores economically.

(2) Certain charges included in the Mechanical Engineer's abstract of expenditure for March 1945 were debited to a wrong head of account. The Secretary, Schools Committee explained that the original abstract was misplaced, the Chief Accountant was pressing for adjustments and as there was no time to call for the duplicate abstract to ascertain the correct head of accounts, the required additional grant was applied for under the head of account to which the amount of the abstract had been debited.

M.C.A. 877/II
26-7-1945

(3) A security of Rs. 30 fixed for the post of Attendance Officer under the Special Attendance Officer has been discontinued and instead it is furnished by the Head Clerk. The Secretary, Schools Committee has been asked to quote sanction for the changes. Reply is awaited.

M.C.A. 964/II
24-9-1945

(4) An extra allowance of Rs 30 per month was paid to Mr. Krishnalal Varma, in charge of Hindustani Refresher's Class, without sanction of the Schools Committee and 2 Physical Instructors were shown in the grade of Rs. 60-2-100, whereas no such grade was shown in the budget. The Secretary, Schools Committee, stated that steps were being taken to recover the excess payment of Rs. 30 made to Mr Varma. This has not yet been recovered. Instead of showing one physical Instructor on Rs. 60-3-120 and 2 in the grade of Rs. 60-2-100 in the Budget Schedule, 3 Physical Instructors were shown on Rs. 60-3-120. This has now been set right.

M.C.A. 1032/II
27-10-1945

(5) Amounts of scholarships lapse, if not claimed by the pupils within a period of six months of their leaving the schools. A statement showing the scholarships passed for payment in 1942 and lying in deposit account, was sent to the Secretary, Schools Committee, with a request to state the reasons for keeping these amounts in the deposit account so long. Reply is not yet received.

M.C.A. 1038/II
27-10 1945

(6) The daughters of a custodian were allowed to stay in the quarters for a period of 40 days after his death to enable them to observe some religious customs (Schools Committee resolution No. 95 of 25-4-1945.). In reply to an audit query as to why no rent was recovered from the occupants after the custodian's death, the Secretary, Schools Committee, replied that as there was no mention in the resolution about charging any rent, the occupation for 40 days was interpreted by her to be free of rent. The Secretary, Schools Committee, is advised that in seeking the orders of the Schools Committee in such matters in future, the financial side of the question should not be left for the Department's own interpretation.

M.C.A. 1055/II
8-11-1945

(7) It was observed that articles like canvass, spirit, looking glass and other miscellaneous hard-ware were purchased by several departments under the Schools Committee from market and therefore the inquiries were made with the Controller of Stores as to whether he could not be able to supply the articles at favourable rates, if indented on him. He replied that all these items were usually supplied by him. The Secretary, Schools Committee was, therefore, requested to indent all the above articles from the Controller of Stores instead of getting them from Market.

M.C.A. 1094/II
23-11-1945

M.C.A. 1151/II
18-12-1945

(8) The daily summaries of the deductions made through paybills and the payment of recurring charges were not attested by the Superintendent of Accounts. Reply is awaited.

(9) The half-yearly interest due on 1-11-1945 in respect of securities pertaining to Manekbai Ratansi Prize Fund was not found credited by the Bank to the account of Bombay Municipal Corporation—Schools Committee. On an audit reference, the same was got credited on 15-1-1946.

M.C.A. 1210/II
18-1-1946

(10) The cost of hand press of the Foras Road Marathi Boys' School stated in the Register of Machinery was Rs. 400, as against Rs. 300 shown in the statement supplied by the Secretary. She has been asked to reconcile the difference between the two figures.

M.C.A. 1214/II
18-1-1946

(11) An amount of Rs. 55 received on 25-11-1945 as donation from the public by the Head Master of Dharavi Marathi Boys' School has been held by him pending the decision of the Schools Committee in the matter. The Secretary, Schools Committee, is advised that the amounts in such cases should be remitted by the teachers and the staff to the office of the Schools Committee within 24 hours and held in deposit account till the final disposal of the questions.

M.C.A. 1245/II
25-1-1946

(12) In four cases, contingent bills were recouped after two or three months. The Secretary, Schools Committee was asked to issue instructions to the staff for submission of bills at least once a month, as it is desirable that expenditure from contingent account should come under the purview of audit soon after its incurrence.

M.C.A. 1269/II
7-2-1946

(13) Certain articles like science apparatus, a mirror, clock, locks, etc., were not found entered in the Dead Stock Register. The Secretary, Schools Committee, has been asked to instruct the persons concerned that vouchers should invariably bear reference to the folio of the Dead Stock Register on which the articles have been entered.

M.C.A. 1285/II
14-2-1946

(14) Register showing the amounts of Standing Advances with the Head Teachers with their running accounts from year to year was not maintained. The Secretary, Schools Committee, has been requested to open such a register.

M.C.A. 423 II
16-11-1944

(15) A case was reported in the year 1943-44 in which realisations on account of cut-wood were insignificant, as compared with the cost of cutting thereof. Papers showing the disposal of wood being called for, it was found that out of five cases, papers were not traceable in three cases in spite of vigorous search. Papers submitted in two cases, did not contain inspector's reports as to the quantity and disposal of the wood. Perusal of papers disclosed apparent apathy of the supervising staff towards the question of securing proper realisation out of the wood. The cases under question relate to the Schools Committee's Department and it is not known what arrangements are made by the City Engineer's Department to realise proper values for the wood cut by the staff from the roadside trees all over the City. The Municipal Commissioner has been written to in the matter and his reply is awaited.

M.C.A. 1646 II
11-5-1943

(16) The land-lord of the DeLisle Road Bridge Group of Schools was being paid annas twelve per month for the rent of three submeters that were installed in the premises in charge of the Schools. The rent was, however, continued to be paid to the land-lord for certain months, although the sub-meters were removed by him. The excess payment thus made to the land-lord came to about Rs. 10 and the question of writing off this amount is still pending before the Schools Committee (vide Schools Committee Resolution No. 30 of 17-4-1946).

Schools Committee's Resolution No. 1015
28-11-1945

Meanwhile the Schools Committee have asked their Secretary that monthly rent bills or electric bills of school premises be paid only on obtaining a certificate from the persons in charge of the schools to the effect that the amount of rent charged was for the actual accommodation used and the electric charges were correct and reasonable.

The audit has been insisting upon obtaining such certificates from the head teachers since long, but no heed has so far been paid.

(17) *Outstanding Objections.*

Out of 71 objections remaining undisposed off finally in respect of previous years, only 21 have been replied to during the year under report and the number still left over is 53. The nature of these objections has already been summarised in the report of the respective years. A list of them is available in this office for reference by the Departments concerned whenever necessary.

VII. Reports sent to the Standing Committee.

(1) A report was made to the Standing Committee about the practice with the Schools Committee of charging the funds of the previous year almost to the extent of the balances available by placing orders at the fag end of the year for supplies to be received in the following year without going through the required procedure of calling tenders for the supplies etc., by public advertisement and by renewing the grants therefor.

The Schools Committee explained that the additional grants were sanctioned by the Corporation late in the year, leaving little time for adjusting the grants and placing the orders after following the required procedure.

The Municipal Chief Auditor in his further remarks on the report of the Schools Committee stated that the Budget grants were provided for running the administration during the financial year only and any balances left therein on 31st March of the year should lapse and for no reason whatsoever the balances of grants left over should be carried over to the next year, if the supplies could not be received upto the end of the year.

The Standing Committee informed the Schools Committee that they generally agreed with the views expressed by the Municipal Chief Auditor and recommended that the Schools Committee should consider the desirability of implementing the proposals of the Municipal Chief Auditor (Standing Committee Resolution No. 1387 of 19-12-1945.)

(2) A report was made to the Standing Committee showing the defects in maintaining accounts of the articles made by the schools teaching carpentry, painting, tailoring, etc., and complaining about the outstanding audit objections in this respect for over two years. The report has been referred to the Schools Committee (Standing Committee Resolution No. 638 of 15-8-1945). Reply is awaited.

(3) Temporary Hindi teachers were permitted to join the Hindi Training Classes on condition that they would not get the usual stipends and that they would be considered as relieved from service from the dates they joined the Training Class, but were promised their recruitment as teachers in Municipal Schools as and when vacancies occurred (Schools Committee Resolution No. 530 of 4-8-1943.)

M.C.A. 888 II
2-8-1945

Accordingly two Hindi teachers were relieved from service from 14-8-1943 and were allowed to join the Training Class. However, on the application of the above two teachers on 25-4-1944, the Schools Committee under their resolution No. 118 of 3-5-1944 sanctioned their appointments to posts of teachers with retrospective effect from 22nd April 1944, by specially creating two posts for them. The teachers joined duty for the first time after the summer vacation on 5-6-1944 and were not, therefore, entitled to summer vacation for which they were paid. A report to the Standing Committee to the above effect was made with a request that in the circumstances stated, the Schools Committee should be instructed to recoup the irregular payment made to the teachers.

The Standing Committee under their resolution No. 639 of 15-8-1945 referred the matter to the Schools Committee for their remarks which are awaited.

(4) The Municipal Chief Auditor has been insisting upon the Schools Committee since the year 1938-39 to show the rents of the school buildings constructed at Municipal cost in the expenditure of the School Fund and accordingly the Schools Committee under their resolution No. 1332 of 22-12-1941 directed the Superintendent of Accounts to show the rents of such buildings on the expenditure side of the School Fund Budget.

M.C.A. 677 II
12-4-1945
&
M.C.A. 3782 II
21-7-1943

Recently the Schools Committee resolved that they have no objection to the Corporation taking up with the Government the question of fixing the nominal rents of the Municipal school buildings (vide Schools Committee Resolution No. 412 of 11-7-1945).

The matter has since been referred to the Municipal Commissioner for remarks (vide Standing Committee Resolution No. 640 of 15-8-1945).

M.C.A. 421 II
14-11-1944

(5) A sweeper woman employed in the Schools Committee's Department was granted maternity leave on full pay for two months and 13 days as against six weeks admissible to her under Rule 108 of the Municipal Service Regulations. This being objected to in audit, the Schools Committee decided to designate all the scavengers as Sanitary Peons (vide Schools Committee Resolution No. 1141 of 14-2-1945) to enable them to get the benefits available to the menial staff under the Municipal Service Regulations. This action of the Schools Committee besides being uneconomical was likely to create dissatisfaction amongst the staff of several thousands of scavengers working in various Municipal Offices who might claim the same benefits. The matter was, therefore, reported to the Standing Committee and the Corporation for early attention to avoid any discontent amongst the staff of the Corporation.

The Schools Committee under their No. E 1880 of 22-11-1945 reported that the scavengers attached to the Schools were not like other scavengers of the Municipality. The Standing Committee, however, referred back the report of the Schools Committee for reconsideration and report as the proposed change of designation was likely to cause serious difficulties with regard to similar other staff employed by the Municipality and in the opinion of the Standing Committee was therefore not desirable (vide Standing Committee Resolution No. 1258 of 5-12-1945.).

Further report of the Schools Committee is awaited.

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1945-46.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged	* Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess	Deficit.	Teachers on leave.	Remarks
	Infants	Other standards.	Total.	Infants	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1-3-1945.															
Marathi Schools	31,474	45,385	76,859	787	1,134	1,921	20,25	195	1,830	..	1,830	..	91	90	
Gujarati Schools	7,537	10,836	18,373	188	271	459	447	35	412	..	412	..	47	31	
Urdu Schools	9,054	9,760	18,814	226	244	470	474	34	440	..	440	..	30	58	
Rest	2,437	3,409	5,846	61	86	147	171	12	159	..	159	12	..	7	
Total ..	50,502	69,390	1,19,892	1,262	1,735	2,997	3,117	276	2,841	..	2,841	12	168	186	
As on 1-4-1945.															
Marathi Schools	31,053	35,121	66,174	776	1,128	1,904	2,184	194	1,990	..	1,990	86	..	75	
Gujarati Schools	7,489	10,754	18,243	187	269	456	451	35	416	..	416	..	40	28	
Urdu Schools	8,983	9,589	18,572	224	240	464	474	32	442	..	442	..	22	56	
Rest	2,388	7,574	9,962	60	81	141	170	11	159	..	159	18	..	7	
Total ..	49,913	63,038	1,12,951	1,247	1,718	2,965	3,279	272	3,007	..	3,007	104	62	166	
As on 1-5-1945.															
Marathi Schools	30,722	38,133	68,855	768	953	1,721	1,753	184	1,569	..	1,569	..	152	60	
Gujarati Schools	7,372	8,918	16,290	185	223	408	449	32	417	..	417	9	..	8	
Urdu Schools	8,644	9,249	17,893	216	232	448	468	27	441	..	441	..	7	50	
Rest	2,388	3,191	5,579	60	79	139	154	11	143	..	143	4	..	9	
Total ..	49,126	59,491	1,08,617	1,229	1,487	2,716	2,824	254	2,570	..	2,570	13	159	127	

Side.	No. on Rolls.			Teachers required for			Total teachers engaged	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess	Deficit.	Teachers on leave.	Remarks.
	Infants	Other standards.	Total.	Infants	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1-6-1945															
Marathi Schools	All the Municipal Schools were closed.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ..															
As on 1-7-1945.															
Marathi Schools	23,772	48,631	72,403	594	1,216	1,810	1,989	333	1,656	..	1,656	..	154	50	
Gujarati Schools	4,884	12,147	17,031	122	303	425	427	50	377	..	377	..	48	25	
Urdu Schools	5,746	11,707	17,453	143	293	436	461	37	424	..	424	..	12	39	
Rest	1,941	4,363	6,304	49	109	158	179	18	161	..	161	3	..	29	
Total ..	36,343	76,848	1,13,191	908	1,921	2,829	3,056	438	2,618	..	2,618	3	214	143	
As on 1-8-1945.															
Marathi Schools	24,569	51,005	75,574	615	1,275	1,890	2,128	405	1,723	..	1,723	..	167	90	
Gujarati Schools	5,425	12,260	17,685	136	306	442	463	64	399	..	399	..	43	26	
Urdu Schools	6,496	11,631	18,127	162	291	453	448½	42	406½	..	406½	..	46½	42	
Rest	2,294	4,262	6,556	58	107	165	165½	18	147½	..	147½	..	17½	11	
Total ..	38,784	79,158	1,17,942	971	1,979	2,950	3,205	529	2,676	..	2,676	..	274	169	

Side.	No on Rolls.			Teachers required for			Total teachers engaged	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess	Deficit.	Teachers on leave.	Remarks
	Infants	Other standards.	Total.	Infants	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1-9-1945.															
Marathi Schools	27,766	53,446	81,212	695	1,336	2,031	2,170	425	1,745	..	1,745	..	286	95	
Gujarati Schools	6,111	12,339	18,450	153	309	462	476	56	420	..	420	..	42	25	
Urdu Schools	7,467	11,391	18,858	187	284	471	462	42	420	..	420	..	51	27	
Rest	2,674	4,115	6,789	66	103	169	166½	18	148½	..	148½	..	20½	6	
Total ..	44,018	81,291	1,25,309	1,101	2,032	3,133	3,274½	541	2,733½	..	2,733½	..	399½	153	
As on 1-10-1945															
Marathi Schools	26,972	52,857	79,829	675	1,321	1,996	2,158	416	1,742	..	1,742	..	254	105	
Gujarati Schools	6,116	12,312	18,428	152	308	460	486	58	428	..	428	..	32	37	
Urdu Schools	7,532	11,201	18,733	189	280	469	462	43	419	..	419	..	50	33	
Rest	2,729	4,005	6,734	69	100	169	167	19	148	..	148	..	21	1	
Total ..	43,349	80,375	1,23,724	1,085	2,009	3,094	3,273	536	2,737	..	2,737	..	357	176	
As on 1-11-1945.															
Marathi Schools	26,843	51,611	78,454	672	1,290	1,962	2,155	412	1,743	..	1,743	..	219	105	
Gujarati Schools	6,127	12,286	18,413	153	307	460	486	58	428	..	428	..	32	28	
Urdu Schools	7,516	10,818	18,334	188	270	458	460	42	418	..	418	..	40	35	
Rest	2,644	3,934	6,578	66	99	165	170	18	152	..	152	..	13	3	
Total ..	43,130	78,649	1,21,779	1,079	1,966	3,045	3,271	630	2,741	..	2,741	..	304	171	

Side.	No. on Rolls.			Teachers required for			Total teachers engaged	Teachers assigned for leave vacancies.	Teachers available	Teachers to be shortly appointed.	Total teachers available.	Excess	Deficit.	Teacher on leave.	Remarks.
	Infants	Other standards.	Total.	Infants	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1-12-1945.															
Marathi Schools	25,982	50,752	76,734	649	1,269	1,918	2,174	402	1,772	..	1,772	..	146	104	
Gujarati Schools	6,083	12,000	18,083	152	300	452	490	56	434	..	434	..	18	39	
Urdu Schools	7,560	10,630	18,190	189	266	455	468	43	425	..	425	..	30	35	
Rest	2,629	3,882	6,511	66	97	163	176	18	158	..	158	..	5	15	
Total ..	42,254	77,264	1,19,518	1,056	1,932	2,988	3,308	519	2,789	..	2,789	..	199	193	
As on 1-1-1946.															
Marathi Schools	26,482	50,362	76,844	662	1,259	1,921	2,373	413	1,960	..	1,960	39	..	130	
Gujarati Schools	6,274	11,903	18,177	157	298	455	487	59	428	..	428	..	27	31	
Urdu Schools	7,572	10,529	18,101	189	263	452	471	44	427	..	427	..	25	33	
Rest	2,595	3,868	6,463	65	97	162	176	18	158	..	158	..	4	3	
Total ..	42,923	76,662	1,19,585	1,073	1,917	2,990	3,507	534	2,973	..	2,973	39	56	197	
As on 1-2-1945-1946															
Marathi Schools	28,377	49,810	78,187	710	1,245	1,955	2,372	415	1,957	..	1,957	2	..	120	
Gujarati Schools	7,008	11,957	18,965	175	299	474	488	59	429	..	429	..	45	43	
Urdu Schools	8,511	10,355	18,866	212	259	471	471	45	426	..	426	..	45	33	
Rest	1,464	5,221	6,685	37	130	167	182	18	164	..	164	..	3	6	
Total ..	45,360	77,343	1,22,703	1,134	1,933	3,067	3,513	537	2,976	..	2,976	2	92	202	

* *This column includes relieving staff @ 6 p. c.; teachers substituted for those in training Colleges, and teachers assigned to Schools having average attendance over 200 pupils.*

S. DALLAS
Ag. Secretary, Schools Committee.
6-9-1946

MUNICIPAL CHIEF AUDITOR'S REPORT

No. M.C.A. 1762 IV of 1946-1947.

BOMBAY, 10*th October* 1946.

FROM

R. C. MEHTA, Esquire, F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

Subject : OUTSTANDING BALANCES OF RATES AND TAXES ON 31ST MARCH 1946.

SIR,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879, and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal Rates and Taxes, Additional General (Riot) Taxes, Urban Immoveable Property Tax, Street Number Plates and Meter Hire, which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1946. The details of the outstanding amounts from year to year pertaining to different Wards are given in the statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1946 under different heads are summarised below:

Particulars.	No. of bills.	Amount.	Remarks.
		Rs. a. p.	
(*a*) Property taxes including Wheel Tax.	20,947	40,95,034 9 3	Exclusive of Urban Immoveable Property Tax amounting to Rs. 10,50,090-6-0.
(*b*) Meter Hire ..	623	26,944 10 0	
(*c*) Street Number Plates ..	13	17 8 0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act. ..	..	3,42,229 12 0	
(*e*) Additional General Tax No. V.	137	6,030 1 0	
(*f*) Additional General Tax No. VI.	4	58 15 0	
(*g*) Additional General Tax No. VII.	25	96 1 0	
(*h*) Additional General Tax No. VIII.	2	25 13 0	
(*i*) Additional General Tax No. X.	201	18,518 2 0	
(*j*) Additional General Tax No. XI.	14	69 11 0	
(*k*) Urban Immoveable Property Tax. ..	*	10,50,090 6 0	*The bills outstanding for Urban Immoveable Property Tax are included in the number of bills shown under item (*a*) above.
Total ..	21,966	55,39,115 8 3	

2. The outstanding balances under (*a*), (*b*), (*c*) and (*d*) above as compared with those of the previous year were as follows:—

No.	Particulars.	Outstanding on 31st March 1945.	Outstanding on 31st March 1946.
		Rs. a. p.	Rs. a. p.
1.	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act.	3,13,090 7 0	3,42,229 12 0
	(*b*) Government (Property Taxes).	1,70,182 12 0	1,22,929 5 0
2.	Bombay Port Trust	825 1 0	96,166 3 0
3.	Bombay Municipal Corporation (Improvements)	29,890 15 0	35,181 10 0
4.	G. I. P. Railway	1,00,286 3 0	1,27,384 7 0
5.	B. B. & C. I. Railway	1,29,838 1 0	1,83,201 7 0
6.	Mills	53,343 11 0	12,302 10 0
7.	Other ratepayers	26,97,542 10 5	35,17,868 15 3
	Total Rs.	34,94,999 12 5	44,37,264 5 3
8.	Meter Hire	10,280 12 0	26,944 10 0
9.	Street Number Plates	26 4 0	17 8 0
	Grand Total Rs.	35,05,306 12 5	44,64,226 7 3

1. (*a*) The sum of Rs. 3,42,229-12-0 represents amount payable by Government for the period from 1934-35 to 1945-46 in respect of Military and Police Hospitals.

(*b*) The sum of Rs. 1,22,929-5-0 is in respect of Water and Special Halalkhore charges for Government properties covered by the award.

2. The sum of Rs. 96,166-3-0 is in respect of the Special Halalkhore Tax and the Water charges.

3. The taxes amounting to Rs. 35,181-10-0 are due by the Bombay Municipal Corporation (Improvements) and are required to be adjusted against grants.

4. Out of the amount of Rs. 1,27,384-7-0 a sum of Rs. 61,255-4-0 has been received leaving a balance of Rs. 66,129-3-0 as outstanding.

5. Out of the sum of Rs. 1,83,201-7-0 an amount of Rs. 18,275-7-0 has been collected leaving a balance of Rs. 1,64,926-0-0 as outstanding. From this outstanding, bills amounting to Rs. 9,104-6-0 have since been recalled.

6. Out of the outstandings of Rs. 12,302-10-0, Rs. 8,599-14-0 have been collected leaving a balance of Rs. 3,702-12-0 as outstanding. However, from this outstanding of Rs. 3,702-12-0 a sum of Rs. 3,612-0-0 is under dispute.

7. The outstandings of Rs. 35,17,868-15-3 from the general rate-payers consist of Rs. 1,45,317-3-0 involved in suits filed and to be filed, Rs. 9,348-15-0 due from the Court Receiver and the Official Assignee, Rs 2,75,566-0-0 disputed by the Royal Western India Turf Club in respect of Race Course, Rs. 8,23,630-15-0 due from the Garrison Engineer (Hirings) and other officers of the Government of India in respect of buildings and lands requisitioned and structures erected by Government for emergency purposes on land leased and occupied by the Military, a sum of about Rs. 70,000 held in deposit pending settlement of disputes, Rs. 7,262 outstanding against other Municipal Departments and Rs. 8,36,553 for amended bills issued in March 1946, leaving a balance of about Rs. 13,50,191 as outstanding in respect of other bills.

(3) Number of bills and amounts outstanding on account of Property and Wheel Taxes from year to year were as under:—

Year.	No. of Bills.	Outstanding on 31st March 1945.	No. of Bills.	Outstanding on 31st March 1946.
		Rs. a. p.		Rs. a. p.
1930-31	4	392 10 0	2	129 8 0
1931-32	4	462 10 0	2	129 8 0
1932-33	9	1,346 15 0	3	143 11 0
1933-34	16	1,559 1 0	9	326 14 0
1934-35	23	2,147 10 0	12	556 6 0
1935-36	31	3,488 10 0	16	695 6 0
1936-37	32	2,203 15 0	17	900 12 0
1937-38	48	4,134 3 0	20	2,244 10 0
1938-39	70	5,684 12 0	22	1,856 8 0
1939-40	111	12,637 9 0	36	5,560 8 0
1940-41	162	19,005 15 0	56	7,716 2 0
1941-42	238	25,261 5 0	107	12,558 8 0
1942-43	1,750	1,22,327 11 0	644	52,670 2 0
1943-44	3,713	2,98,284 4 5	1,382	1,36,639 13 0
1944-45	15,820	26,82,972 3 0	2,660	4,14,592 6 9
1945-46	..	..	15,959	34,58,513 14 6
Total ..	22,031	31,81,909 5 5	20,947	40,95,034 9 3
Add—Payment by Government in lieu of General Tax		3,13,090 7 0		3,42,229 12 0
" " Grand Total		34,94,999 12 5		44,37,264 5 3

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 10.51 as against 9.40 for the previous year showing an increase of 1.11.

(4) A statement of the transaction for the year is as follows:
Property and Wheel Taxes:—

	Rs.	a.	p.
Balance on 1st April 1945.	34,94,999	12	5
Add—Demand during the year.	3,87,15,907	0	0
	4,22,10,906	12	5
Less—			
Recoveries during the year (exclusive of Ans. 4/- paid more by Bombay Port Trust.) ..	3,77,73,642	7	2
Balance on 31st March 1946, exclusive of amount of bills for meter hire and street number plates.	44,37,264	5	3

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 667-9-0 and Rs. 83,637-4-0 respectively, as against Rs. 6,255-13-0 and Rs. 1,05,856-0-0 during the previous year. The total amount written off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 3,648-13-0.

(6) The total number of bills for property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1946 was 21,966. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

I have the honour to be,
Sir,
Your most obedient servant,

R. C. MEHTA.
Municipal Chief Auditor.

MUNICIPAL OFFICES,

BOMBAY, 10th October, 1946.

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1946.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND								Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1930-31	C ..	2	81 10 0	26 10 0	..	..	21 4 0	..	129 8 0	..	129 8 0	..	..
	Total ..	2	81 10 0	26 10 0	..	..	21 4 0	..	129 8 0	..	129 8 0	..	..
1931-32	C ..	2	81 10 0	26 10 0	..	..	21 4 0	..	129 8 0	..	129 8 0	..	..
	Total ..	2	81 10 0	26 10 0	..	..	21 4 0	..	129 8 0	..	129 8 0	..	..
1932-33	A ..	1	8 15 0	2 15 0	..	..	2 5 0	..	14 3 0	..	14 3 0	..	..
Do.	C ..	2	81 10 0	26 10 0	..	..	21 4 0	..	129 8 0	..	129 8 0	..	..
	Total ..	3	90 9 0	29 9 0	..	..	23 9 0	..	143 11 0	..	143 11 0	..	..
1933-34	A ..	4	32 4 0	10 10 0	..	..	8 6 0	..	51 4 0	..	51 4 0	..	..
Do.	C ..	5	173 11 0	56 11 0	..	..	45 4 0	..	275 10 0	..	275 10 0	..	..
	Total ..	9	205 15 0	67 5 0	..	..	53 10 0	..	326 14 0	..	326 14 0	..	..
1934-35	A ..	4	35 0 0	10 10 0	..	..	8 6 0	..	54 0 0	..	54 0 0	..	..
Do.	C ..	6	238 2 0	71 8 0	..	..	57 2 0	..	366 12 0	..	366 12 0	..	..
Do.	D ..	2	109 6 0	..	..	..	26 4 0	..	135 10 0	..	135 10 0	..	..
	Total ..	12	382 8 0	82 2 0	..	..	91 12 0	..	556 6 0	..	556 6 0	..	..
1935-36	A ..	6	188 12 0	10 10 0	..	..	45 4 0	..	244 10 0	..	244 10 0	..	..
Do.	C ..	6	187 11 0	56 7 0	..	..	45 0 0	..	289 2 0	..	289 2 0	..	..
Do.	D ..	2	109 6 0	..	..	..	26 4 0	..	135 10 0	..	135 10 0	..	..
Do.	G ..	2	16 14 0	5 2 0	..	..	4 0 0	..	26 0 0	..	26 0 0	..	..
	Total ..	16	502 11 0	72 3 0	..	..	120 8 0	..	695 6 0	..	695 6 0	..	..

STATEMENT A. *Continued*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1946

Year.	Ward.	No. of bills.	DETAILS OF DEMAND								Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	((13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a.p.		Rs. a. p.
1936-37	A ..	6	173 12 0	10 10 0	..	..	45 4 0	..	229 10 0	..	229 10 0	..	..
Do.	C ..	7	383 3 0	35 3 0	..	..	101 4 0	..	519 10 0	..	519 10 0	..	..
Do.	D ..	2	100 10 0	..	..	..	26 4 0	..	126 14 0	..	126 14 0	..	..
Do.	G ..	2	15 8 0	5 2 0	..	..	4 0 0	..	24 10 0	..	24 10 0	..	..
	Total ..	17	673 1 0	50 15 0	..	..	176 12 0	..	900 12 0	..	900 12 0	..	..
1937-38	A ..	6	173 12 0	56 12 0	..	..	45 4 0	..	275 12 0	..	275 12 0	..	..
Do.	T ..	4	..	..	1,366 2 0	..	..	..	1,366 2 0	..	1,366 2 0	..	..
Do.	C ..	6	341 8 0	20 6 0	..	..	89 6 0	..	451 4 0	..	451 4 0	..	..
Do.	D ..	2	100 10 0	..	..	..	26 4 0	..	126 14 0	..	126 14 0	..	..
Do.	G ..	2	15 8 0	5 2 0	..	..	4 0 0	..	24 10 0	..	24 10 0	..	..
	Total ..	20	631 6 0	82 4 0	1,366 2 0	..	164 14 0	..	2,244 10 0	..	2,244 10 0	..	..
1938-39	A ..	1	47 15 0	15 10 0	..	..	12 8 0	..	76 1 0	..	76 1 0	..	..
Do.	T ..	5	..	..	104 1 0	..	..	..	104 1 0	..	104 1 0	..	..
Do.	B ..	4	292 3 0	29 14 0	..	..	90 15 0	..	413 0 0	..	413 0 0	..	..
Do.	C ..	6	314 11 0	20 6 0	..	..	89 6 0	..	424 7 0	..	424 7 0	..	..
Do.	D ..	2	100 10 0	..	..	..	26 4 0	..	126 14 0	..	126 14 0	..	..
Do.	F ..	2	489 1 0	70 13 0	..	..	127 9 0	..	687 7 0	..	687 7 0	..	..
Do.	G ..	2	15 8 0	5 2 0	..	..	4 0 0	..	24 10 0	..	24 10 0	..	..
	Total	22	1,260 0 0	141 13 0	104 1 0	..	350 10 0	..	1,856 8 0	..	1,856 8 0	..	..

STATEMENT A —*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1946.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND									Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal Taxes	Urban Immoveable Property Tax.	Grand Total.	No. of bills.	Amount.
				On Value.	By meter measurement.	Compounded Tax.	On Value.	At a special rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a.p.		Rs. a. p.
1939-40	B ..	8	596 3 0	56 12 0	..	..	154 9 0	..	807 8 0	548 5 0	1,355 13 0	..	..
Do.	C ..	7	354 9 0	24 4 0	..	..	92 7 0	..	471 4 0	244 0 0	715 4 0	..	..
Do.	D ..	6	1,254 11 0	244 13 0	..	..	507 14 0	..	2,007 6 0	1,499 4 0	3,506 10 0	..	..
Do.	E ..	1	497 11 0	..	..	..	129 13 0	..	627 8 0	432 12 0	1,060 4 0	..	..
Do.	F ..	9	1,212 7 0	33 9 0	..	..	316 4 0	..	1,562 4 0	944 10 0	2,506 14 0	..	..
Do.	G ..	2	15 8 0	5 2 0	..	..	4 0 0	..	24 10 0	..	24 10 0	..	..
	Total ..	33	3,931 1 0	364 8 0	..	..	1,204 15 0	..	5,500 8 0	3,668 15 0	9,169 7 0	..	..
1940-41	B ..	9	943 0 0	41 1 0	..	..	256 8 0	..	1,240 9 0	769 15 0	2,010 8 0	..	..
Do.	C ..	10	424 13 0	26 1 0	..	..	110 12 0	..	561 10 0	295 7 0	857 1 0	..	..
Do.	D ..	6	1,947 0 0	..	..	..	507 14 0	..	2,454 14 0	1,649 4 0	4,104 2 0	..	..
Do.	E ..	5	992 15 0	..	..	..	287 3 0	..	1,280 2 0	812 3 0	2,092 5 0	..	..
Do.	F ..	13	1,400 3 0	83 6 0	..	..	365 4 0	..	1,848 13 0	1,026 4 0	2,875 1 0	..	..
Do.	G ..	4	59 8 0	5 2 0	..	..	15 8 0	..	80 2 0	231 2 0	311 4 0	..	..
	Total ..	47	5,767 7 0	155 10 0	..	..	1,543 1 0	..	7,466 2 0	4,784 3 0	12,250 5 0	..	..

STATEMENT A —*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1946.

Year	Ward.	No. of bills.	DETAILS OF DEMAND									
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire
				On Value.	By meter measurement.	Compounded Tax.	On Value.	At a special rate.				No. of bills. / Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) / (14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1941-42	A ..	1	7 6 0	2 7 0	..	..	1 15 0	..	11 12 0	..	11 12 0	.. ..
Do.	G. P. R..	2	35 1 0	..	..	..	9 2 0	9 14 0	54 1 0	..	54 1 0	.. ..
Do.	T ..	3	153 14 0	50 4 0	..	..	40 1 0	..	244 3 0	81 7 0	325 10 0	.. ..
Do.	B ..	16	2,845 10 0	174 6 0	..	..	766 10 0	..	3,786 10 0	1,939 10 0	5,726 4 0	.. ..
Do.	C ..	10	842 12 0	42 10 0	..	..	235 8 0	..	1,120 14 0	463 1 0	1,583 15 0	.. ..
Do.	D ..	6	1,947 0 0	..	..	..	507 14 0	..	2,454 14 0	1,319 6 0	3,774 4 0	... ..
Do.	E ..	12	1,180 7 0	38 3 0	..	..	334 15 0	..	1,553 9 0	691 15 0	2,245 8 0	.. ..
Do.	F ..	16	1,449 0 0	104 14 0	..	..	399 4 0	..	1,953 2 0	833 2 0	2,786 4 0	.. ..
Do.	G ..	7	179 11 0	9 15 0	..	..	46 14 0	..	236 8 0	221 10 0	458 2 0	.. ..
	Total ..	73	8,640 13 0	422 11 0	..	..	2,342 3 0	9 14 0	11,415 9 0	5,550 3 0	16,965 12 0	.. ..
1942-43	A ..	15	1,220 9 0	..	3,042 6 0	..	142 1 0	..	4,405 0 0	913 10 0	5,318 10 0	.. ..
Do.	G. P. R..	7	1,823 13 0	..	..	..	475 13 0	181 4 0	2,480 14 0	..	2,480 14 0	.. ..
Do.	T ..	13	388 2 0	81 6 0	..	..	101 6 0	..	570 14 0	165 6 0	736 4 0	.. ..
Do.	B ..	19	5,279 7 0	301 14 0	..	..	1,384 15 0	..	6,966 4 0	1,925 0 0	8,891 4 0	.. ..
Do.	C ..	10	864 0 0	51 1 0	..	..	215 2 0	..	1,130 3 0	450 9 0	1,580 12 0	.. ..
Do.	D ..	15	6,482 13 0	1,382 10 0	..	..	1,709 15 0	..	9,575 6 0	4,380 8 0	13,955 14 0	.. ..
Do.	E ..	18	1,492 3 0	51 9 0	..	..	405 6 0	..	1,949 2 0	803 9 0	2,752 11 0	.. ..
Do.	F ..	24	2,258 5 0	667 3 0	..	..	622 12 0	..	3,548 4 0	1,330 7 0	4,878 11 0	.. ..
Do.	G ..	29	6,662 10 0	166 7 0	..	..	1,757 12 0	..	8,586 13 0	4,316 2 0	12,902 15 0	.. ..
	Total ..	150	26,471 14 0	2,702 2 0	3,042 6 0	..	6,815 2 0	181 4 0	39,212 12 0	14,285 3 0	53,497 15 0	.. ..

STATEMENT A —*Continued*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1916.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND								Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	
				On Value.	By meter measurement.	Compounded Tax.	On Value.	At a special rate.				No. of Bills. / Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) / (14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1943-44	A	70	4,691 0 0	24 4 0	10,077 3 0	..	896 15 0	..	15,689 6 0	14,422 9 0	30,111 15 0	.. ..
Do.	G. P. R.	19	2,936 11 0	..	1,475 2 0	..	766 2 0	545 3 0	5,723 2 0	..	5,723 2 0	.. ..
Do.	T	15	1,462 0 0	335 7 0	..	..	381 8 0	..	2,178 15 0	845 1 0	3,024 0 0	.. ..
Do.	B	31	6,097 10 0	833 1 0	..	..	1,249 8 0	..	8,180 3 0	3,901 11 0	12,081 14 0	.. ..
Do.	C	18	1,550 8 0	71 6 0	..	..	366 11 0	..	1,988 9 0	835 12 0	2,824 5 0	.. ..
Do.	D	61	20,152 3 0	3,729 7 0	..	..	5,279 5 0	..	29,160 15 0	14,611 3 0	43,772 2 0	.. ..
Do.	E	35	3,898 15 0	772 14 0	..	..	1,020 3 0	..	5,692 0 0	1,783 0 0	7,475 0 0	.. ..
Do.	F	55	18,497 0 0	5,088 6 0	311 1 0	..	4,864 2 0	..	28,760 9 0	16,780 3 0	45,540 12 0	.. ..
Do.	G	114	9,546 4 0	1,967 6 0	1,256 5 0	2 0	2,349 15 0	..	15,121 14 0	9,819 14 0	24,941 12 0	.. ..
	Total	.. 418	68,832 3	12,822 3 0	13,119 11 0	2 0	17,174 5 0	545 3 0	1,12,495 9 0	62,999 5 0	1 75,494 14 0	.. ..
1944-45	A	.. 135	23,261 4 9	3,738 5 0	4,516 14 0	..	6,454 0 0	..	37,970 7 9	27,100 1 0	65,070 8 9	.. ..
Do.	G. P.R.	.. 55	2,288 7 0	259 12 0	51,431 7 0	..	597 1 0	5,709 13 0	60,286 8 0	17 14 0	60,304 6 0	.. ..
Do.	T	.. 59	5,101 12 0	1,377 9 0	..	..	1,335 14 0	..	7,815 3 0	2,667 11 0	10,482 14 0	.. ..
Do.	B	.. 82	12,448 8 0	1,820 10 0	..	189 4 0	3,343 9 0	..	17,801 15 0	8,209 0 0	26,010 15 0	.. ..
Do.	C	.. 83	7,634 2 0	1,935 8 0	..	169 3 0	2,190 3 0	..	11,929 0 0	3,469 15 0	15,398 15 0	.. ..
Do.	D	.. 161	38,790 0 0	5,659 10 0	6,298 6 0	4 12 0	10,336 1 0	..	61,088 13 0	24,807 11 0	85,896 8 0	.. ..
Do.	E	.. 105	21,718 9 0	4,430 12 0	703 5 0	..	5,776 8 0	..	32,629 2 0	9,677 4 0	42,306 6 0	.. ..
Do.	F	.. 148	31,535 11 0	9,272 12 0	1,885 8 0	..	15,415 3 0	..	88,109 2 0	59,657 14 0	1,47,767 0 0	.. ..
Do	G	.. 337	35,879 4 0	4,558 9 0	6,276 6 0	14 12 0	9,133 6 0	..	55,862 5 0	26,923 11 0	82,786 0 0	.. ..
	Total	.. 1,165	2,08,657 9 9	33,053 7 0	71,111 14 0	377 15 0	54,581 13 0	5,709 13 0	3,73,492 7 9	1,62,531 1 0	5,36,023 8 9	.. ..

STATEMENT A —*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1946.

Year.	Ward.	No. of Bills	DETAILS OF DEMAND								Grand Total.	Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal Taxes.	Urban Immoveable Property Tax.		No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded Tax.	On Value.	At a special rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	14
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1945-46	A ..	1,371	2,85,552 1 0	64,057 1 0	3,58,821 12 0	345 4 0	69,505 15 0	..	7,78,282 1 0	1,56,551 15 0	9,34,834 0 0	179	8,170 0 0
Do.	G. P. R...	547	15,912 12 0	2,778 11 0	4,12,456 9 0	..	3,819 5 0	47,951 0 0	4,82,918 5 0	407 2 0	4,83,325 7 0	305	14,285 2 0
Do.	T ..	222	14,611 12 0	3,476 3 0	201 15 0	5 2 0	3,530 0 0	..	21,825 0 0	6,461 15 0	28,286 15 0	4	96 0 0
Do.	B ..	1,144	2,20,645 5 0	58,660 8 0	18,257 13 0	153 4 0	51,733 15 0	..	3,49,450 13 0	1,15,693 14 0	4,65,144 11 0	22	567 0 0
Do.	C ..	703	1,01,858 9 0	27,195 14 0	3,760 9 0	955 13 0	24,084 5 0	..	1,57,855 2 0	54,288 3 0	2,12,143 5 0	3	52 0 0
Do.	D ..	884	1,45,653 9 0	30,557 4 0	38,724 11 0	570 8 0	36,547 11 0	..	2,52,053 11 0	79,308 9 0	3,31,362 4 0	43	1,339 8 0
Do.	E ..	814	1,01,371 5 0	23,069 13 0	20,991 14 0	143 3 0	25,261 4 0	..	1,70,837 7 0	48,468 3 0	2,19,305 10 0	28	933 8 0
Do.	F ..	1,262	2,91,402 4 0	38,857 15 0	16,701 10 0	24 11 0	69,434 8 0	..	4,16,421 0 0	1,39,910 8 0	5,56,331 8 0	7	180 0 0
Do.	G. ..	2,097	3,72,563 9 6	25,820 6 0	1,66,119 6 0	120 4 0	89,474 9 0	..	6,54,098 2 6	1,95,181 3 0	8,49,279 5 6	32	1,321 8 0
	Total ..	9,044	15,49,571 2 6	2,74,473 11 0	10,36,036 3 0	2,318 1 0	3,73,391 8 0	47,951 0 0	32,83,741 9 6	7,36,271 8 0	40,80,013 1 6	623	26,944 10 0
	Grand Total	11,033	18,75,781 8 3	3,24,573 11 0	11,24,780 5 0	2,698 0 0	4,58,077 2 0	54,397 2 0	38,40,307 12 3	10,50,090 6 0	48,90,398 2 3	623	26,944 10 0

11,033	Municipal Property Taxes	..	38,40,307	12 3
9,914	Taxes on Vehicles and Animals	..	2,54,726	13 0
623	Meter Hire Bills	..	26,944	10 0
13	Street Number plates	..	17	8 0
383	Additional General Tax	..	24,798	11 0
	Amount due from Government in lieu of the General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1945-46	..	3,42,229	12 0
	Urban Immoveable Property Tax	..	10,50,090	6 0
Total .. 21,966			55,39,115	8 3

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1946.

Ward.	1939-40		1940-41		1941-42		1942-43		1943-44		1944-45		1945-46	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No of Bills.	Amount.	No. of Bills.	Amount	No. of Bills.	Amount.	No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A	..	..	2	70 0 0	23	756 10 0	101	2,311 9 0	324	7,457 11 0	549	16,365 2 0	2455	58,563 8 0
B	..	..	..	..	..	..	88	2,585 0 0	144	3,864 15 0	231	6,662 7 0	982	28,987 12 0
C	..	..	7	180 0 0	3	120 0 0	31	896 0 0	25	801 5 0	47	1,668 2 0	183	4,564 0 0
D	..	..	..	..	..	..	83	2,009 6 0	148	3,578 6 0	193	4,172 7 0	1240	30,498 10 0
E	..	..	..	..	5	153 5 0	123	3,727 12 0	175	4,747 10 0	280	7,229 10 0	1116	29,271 4 0
F	..	..	..	..	2	105 0 0	48	1,480 0 0	106	2,712 10 0	149	3,718 13 0	673	16,844 8 0
G	3	60 0 0	..	..	1	8 0 0	20	447 11 0	42	981 11 0	46	1,083 6 0	266	6,042 11 0
Total ..	3	60 0 0	9	250 0 0	34	1,142 15 0	494	13,457 6 0	964	24,144 4 0	1,495	40,899 15 0	6915	1,74,772 5 0

STATEMENT—C

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1946.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV.		A.G.T. XV.		Street No. Plate.	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ..	..	..	..	..	..	..	..	..	2	229 5 0	1	4 10 0	..	..	..	..	1	0 12 0	..	..	..	..
G.P.R.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
B ..	39	1,988 3 0	4	58 15 0	25	96 1 0	2	25 13 0	42	1,691 8 0	..	..	10	325 12 0	1	155 6 0	..	..	..	..	4	6 0 0
C ..	11	725 10 0	..	..	..	..	..	..	20	4,075 8 0	13	65 1 0	4	23 3 0	2	134 2 0	1	0 4 0	..	..	..	..
D ..	30	2,853 14 0	..	..	..	..	..	..	35	9,926 0 0	..	..	3	58 15 0	..	..	..	..	..	..	1	1 8 0
E ..	34	80 14 0	..	..	..	..	..	..	62	1,019 0 0	..	..	3	50 5 0	1	5 0 0	..	..	1	29 6 0	8	10 0 0
F ..	13	195 14 0	..	..	..	..	..	..	12	662 8 0	..	..	5	91 11 0	..	..	..	..	..	..	..	..
G. ..	10	185 10 0	..	..	..	..	..	..	28	914 5 0	..	..	25	539 12 0	..	..	2	0 8 0	..	..	..	..
																	..	..	..	..	..	..
Total ..	137	6,030 1 0	4	58 15 0	25	96 1 0	2	25 13 0	201	18,518 2 0	14	69 11 0	50	1,089 10 0	4	294 8 0	4	1 8 0	1	29 6 0	13	17 8 0

BOMBAY MUNICIPALITY.

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1946-47.

MUNICIPAL PRITING PRESS, BOMBAY.

133815

BOMBAY BRANCH
OF THE
ROYAL ASIATIC SOCIETY.
TOWN HALL, BOMBAY.

MUNICIPAL CHIEF AUDITOR'S REPORT.

ROYAL ASIA... OF BO... BR... OF

No. M.C.A. 3567-I, of 1947-1948.

Bombay, 15th November 1947.

FROM

R. C. MEHTA, ESQ., F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR, BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

SIR,

In compliance with the provisions of Section 137(3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1946-47 for submission to the Standing Committee and the Corporation.

I have the honour to be,
Sir,
Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the year 1946-47.

Prefatory Remarks.

In compliance with the provisions of Section 137(3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938) the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1947; that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee; their Capital Accounts, Accounts of the Sinking and Special Funds, Debts; Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor, his Deputy and his staff have kept themselves busy continuously throughout the year test checking the accounts of the Corporation and the result has been embodied in this report. It may, however, be stated that the hope entertained that the Department would soon be in a position to appoint all the sanctioned staff on the modification of condition of recruitment (Standing Committee Resloution No. 919 of 11-9-1946) has not materialised and the difficulty of filling up the posts even on the present revised grades has continued. It is noticed that the candidates after traning and experience of a few months in this Department easily secure posts on higher salary with better prospects outside in Government or in large business concerns of good standing with the result that the Department is not in a position to have requisite proportion of experienced staff. The different Audit Sections, therefore, had to carry on the work without the necessary complement of staff and hence it has not been possible to bring audit to the laid down percentage.

This Audit Report is divided into two parts: (I) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schedule I, Division A, summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the methods and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I Division B, contains statements of receipts and payments and the balances of Revenue and Capital Accounts, indicating the financial position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvements Schemes Accounts, Advances and Investments, Loans contracted and cash and securities on account of various funds, Appendices A and B are attached to Schedule I, showing the charges met from the Municipal Commissioner's Discretional Contingencies and balances of Stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Muncipal Chief Auditor's general remarks on the result of the aduit of the accounts may shortly be recapitulated as under:—

MUNICIPAL ACCOUNTS.

Expenditure.

With reference to the internal control of the Accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made etc., the Municipal Chief Auditor remarked last year that the control of the Accounts Department over incurrence of expenditure, adjustments of accounts and watching of budget grants in the Departments should be more searching and strict, though not inconsiderate. In this respect no tendency for improvement has been noticed during this year too.

To a request of 10th October 1945 (*vide* my letter No. M.C.A. 1006/I, dated 18-10-1945) for three batches each of 1 Audit Superintendent, 1 Junior Auditor and 1 Clerk for outside audit, the Standing Committee sanctioned two batches on 3-7-1946 (*vide* Standing Committee Resolution No. 538 of 3-7-1946) and since the appointment of the staff for this purpose in this Department from 11th September 1946, the Municipal Chief Audtor has had the advantage of test checking the transactions of the Departmental Works in the Departments and from the several reports which have been submitted to the Standing Committee from time to time it will be recognized that they make a very regrettable reading of grave irregularties in the initial accounts of the works on which the Municipal Funds are spent. The operation of these initial accounts involving unaccountability of labour and material used on works and the manipulations of figures under different estimates and grants allotted for the works renders ineffective the whole super structure of budgetary principles and those of spending money. The satisfaction entertained by the Administration so long that the accounts were under the constant check and control of the Test Audit Officer attached to the Chief Accountant's Department (as stated by the Commissioner in his report No. A.E. 544, dated 13-1-1936, Corporation Resolution No. 10219 of 26-3-1936) was illusory in view of the remarks of the Commissioner (in his letter No. L.S. 1835 of 11-6-1947 Resolution No. 105 of 24-7-1947 of the Law, Revenue and General Purposes Committee for additional staff under the Test Audit Officer for such work) that in the absence of proper check at present on the basic records of the transactions relating to the labour employed and stores purchased, the system of passing pay bills, claims of contractors, etc., for work done or materials supplied, by the Chief Accountant merely on the certificates of the Heads of Departments cannot be considered to be reliable. Moreover, I have been seeing successive reports of the Test Audit Officer submitted to the Standing Committee and the Corporation (as required by the Corporation Resolution No. 6294 of 8-10-1923) in which not a hint could be found of the existance of such material irregularities in the accounts requiring immediate attention but the Municipal Chief Auditor on his part had got doubts regarding the reliable character of the initial accounts since the year 1938, the year in which he took charge of his office; which doubts have unfortunately proved more than true. It seems that the Administration has only lately realised from the reports of the Municipal Chief Auditor on the working of the Outside Audit Section that some beginning should be made to arrest such irregularites. In any case the accounts of the Corporation lack the reliability which usually goes with the proper pre-verification of the initial accounts by the Chief Accountant.

Closing of Accounts.—This year also although the annual accounts signed by the Commissioner and the Chief Accountant were submitted to the Municipal Chief Auditor for final audit, in several cases the registers were also not closed and totalled with the result that audit had to call upon the Chief Accountant's staff to do the needful afterwards. The Chief Accountant should look into this state of affairs carried on by his staff in such an irresponsible way immediately, and in future he should see that all the books are duly completed and balanced before submission to audit so that much of the time wasted by both the Departments may be saved and the Annual Audit Report may not be unnecessarily delayed.

Accounts.

Attention has been repeatedly drawn in all the previous Audit Reports, beginning from 1939, on the urgent necessity of the present system of account-keeping being overhauled and brought upto the present day requirements, but nothing has so far been done.

Continuation of a centralised administration, which was devised somewhere prior to 1888 when the revenue and expenditure of the City was somewhere near Rs. 50 lakhs, even now, when the revenue is of about 6 crores, involving many complex problems arising with the growing size of the City, seems to be undesirable on the grounds of efficiency and economy. In order to achieve economy in the establishment cost, simplification and expeditious disposal of work, which is daily growing in volume and complexity, it is necessary that the working of the several departments should be overhauled and put on modern lines by scrapping the present overcentralised system and by removing obsolete and unnecessary methods and routines in the Departments. It is suggested that—

(1) The Municipal area may be divided into suitable districts. Each district will have a centrally located office with sections for every Municipal executive department, under the charge of a responsible officer to look after the work of the district and forward periodical reports and statistics to the Head Office for control records.

(2) An accounts section may also be attached to each district office, supervised by a responsible Accounts Officer under the Chief Accountant for maintaining initial accounts both of receipts and expenditure of the district and the Head Office maintaining only control accounts from the daily or periodical returns received from the district offices.

(3) House to house assessment-tax collection by the Inspectors may be discontinued and the recognized practice of making the parties pay the tax bills or any other dues at the Municipal Offices in the districts may be introduced.

(4) Accounting machines etc., may be introduced wherever advantageous.

A small committee of experts may be appointed to throughly examine the administration in details and devise ways and means for an economical and efficient management of the Departments on modern lines. This reform has now become all the more urgent in view of the Greater Bombay Scheme.

Accounts Code.

I have also emphasised the necessity of accounts manual in my previous reports for co-ordinating the work of various departments showing their ultimate fusion in the main Municipal Accounts. This manual, I must say, must cover the whole procedure of Budgeting, Accounting, carrying out capital works, Revenue, Expenditure and Inventories of properties, etc. It would also define properly in a code form the duties of every Municipal Officer and servant in this connection. The various resolutions of the nature of standing orders passed by the Standing Committee and the Corporation are scattered over the proceedings of these bodies for all these years, and the Municipal Officers and servants or even those members of the Corporation who would care to know something about the accounting matters have to hunt for these resolutions or to find someone who can give them the necessary information from his memory. It is learnt that for want of the accounts code the Municipal servants are ignorant of the whole structure of accounts and as a result the work suffers in many ways.

I may here make timely observation that the Assessment and Engineering Departments have lately asked for staff for preparation of manuals for their own departments, the structure of which will necessarily be in the line with the existing superstructure of accounts which doubtless requires immediate overhauling. Such isolated efforts made by the departments without an idea regarding the immediate necessity of rebuilding the whole superstructure to deal effectively with the present requirements will prove waste of money, energy and time, unless they are co-ordinated with the fundamental principles on which the accounting system should be based.

Municipal Bank.

A Municipal Bank to manage the vast finances of the Corporation if started at this time is likely to be advantageous to the Municipality. In general I would suggest that the Bank should be on a scale to transact the business of the Corporation as well as of the public.

Financial Management.

This Corporation is the largest city government in India of no less importance than some Provincial Governments or big Indian States. The main directive of its policy therefore, in the method of raising and disposal of funds requires high level negotiating faculties found in the Finance Departments of the Central and Provincial Governments. This necessity was never felt more than now when the Municipality in addition to its own usual responsibilities have undertaken the management of a big public utility concern, *viz.*, The Bombay Electric Supply and Tramways Company, Limited, and is going to add to its limits a great portion of the Bombay Suburbs.

Rs. 476 Lakhs C. I. T. Loan.

The Corporation should have taken advantage of cheap money policy of the Government during the war period and should have negotiated repayment of Rs. 476 lakhs C. I. T. Loan and raised that money in the market on very favourable terms resulting in substantial reduction in the annual debt burden of the Corporation. In this connection following criticism was made in my report for the year 1945-46 :—

> "The interest payable to Government on the different portions of the advance of Rs. 476 lakhs taken from them by the late Improvement Trust by issue of 4½ per cent. debentures of equivalent amounts as security ranges from 4¾ per cent. to 5½ per cent. The amount of the advance is being repaid by annual instalments fixed upto 31st March 1956. It was, therefore, suggested to the Commissioner that it was worth while requesting Government to receive early repayment of the whole balance of the advance when Government were borrowing on a large scale for war purposes. The suggeston however was not adopted as according to the Commissioner he could not approach the Government as there was an agreement to repay it by 1956. It needs no particular mention that the Government of India themselves are economising a great deal in their debt charges taking advantage of the present favourable money market by conversion, of different loans which were considered to be interminable by issue of fresh loans at lower rates. In the circumstances the Municipal Chief Auditor believes that the suggestion is worth pursuing even now.
>
> If the Government agree to consider the request of the Municipality favourably, the repayment can be easily financed by raising a loan at a cheap rate of interest of about 2¾ per cent. and the saving accruing to the Municipal Fund would in that case be in the neighbourhood of Rs. 12 lakhs."

Municipal Loan 3¼ per cent. 1946 for Rs. 8.25 Crores.

The Corporation (*vide* their Resolutions Nos. 795 and 849, dated the 6-12-1943 and 21-10-1946, respectively) decided to exercise the right reserved to them under Clause 24 of the Deed of Concession, dated 7th August 1905, executed between the Corporation and the Bombay Electric Supply and Tramways Company, Limited, to purchase on 7th August 1947 the combined undertaking of the Bombay Electric Supply and Tramways Company, Limited, and after receiving due sanction from the Government of Bombay under Section 7(1) of Indian Electricity Act 1910 (*vide* General Department letter No. 5316/33-C, dated the 15th November 1946) a notice as required under Clause 24 of the Deed of Concession was sent to the Company to that effect by the Municipal Commissioner on 16th January 1947 (*vide* letter No . S.R. 15258). The Bombay Electric Supply and Tramways Company undertaking accordingly was transferred to the Corporation on the due date, *i.e.*, 7th August 1947, and since then is being managed by the Bombay Electric Supply and Transport Committee appointed by the Corporation (*vide* Corporation Resolution No. 526, dated the 31st July 1947) pursuant to the Ordinance II of 1947 of the Government of Bombay.

For financing the purchase value and incidental expenses the Corporation (*vide* their Resolution No. 233 dated 12-5-1947) decided to raise a loan of Rs. 7½ Crores for 30 years at 3¼ per cent. interest with 3 per cent. per annum Sinking Fund and after obtaining the permission from the Government of Bombay for the loan (under Section 106 of the Municipal Act, the Corporation on the recommendation of the Standing Committee and the Municipal Commissioner on the advice of the Reserve Bank of India floated a loan for Rs. 8.25 Crores being 7½ Crores for Bombay Electric Supply and Transport and Rs. 75 lakhs for Capital Works) at an issue price of Rs. 99-8-0 for every Rs. 100 nominal carrying interest at 3¼ per cent. and repayable at par at the end of 30 years. (*Vide* Resolution No. 519 of 22-7-1947). On 1st August 1947 the loan was oversubscribed within a short time and the total amount received by the Imperial Bank of India, the Corporation's Bankers, to whom the work of public issue was entrusted, was Rs. 16,18,17,000, *i.e.*, almost twice the amount of the loan floated and the Municipal Commissioner instructed the Imperial Bank of India (on their own suggestion) to accept in full all applications upto Rs. 5,000 to allot Rs. 5,000 against all applications between Rs. 5,000 and Rs. 10,000 and 50 per cent. against the rest.

The total approximate cost of the floatation of the loan as sanctioned by the Standing Committee and the Corporation (*vide* Resolution No. 519 dated the 22nd July 1947) comes to Rs. 19,83,750 (for 7½ Crores Loan) and Rs. 2,04,375 (for 75 Lakhs Loan) the details being as under :—

	7½ Crores.	75 Lakhs.
Underwriting Commission ½ per cent.	3,75 000	37.500
Commission to the Imperial Bank of India 1/16 per cent.	46 875	4687·5
Brokerage at 1/16 per cent.	46.875	4687·5
Other Charges	15,000	7,500
Stamp duty at 1½ per cent.	11,25,000	1,12.500
Discount ½ per cent.	3,75,000	37,500
	19,83,750	2,04,375

The notice to acquire the Bombay Electric Supply and Tramways Company, was given on 16th January 1947 and the question of how to finance this acquisition seems to have assumed im portance and urgency at about the same time. From the records with the Municipal Commissioner and the Chief Accountant it seems that on 16th December 1946, Messrs. Merwanji B. Dalal, whose experience in Government and other finances and whose study of financial situation in the Country is unrivalled, advised in a well reasoned and extensive letter that a long term loan of say 40 years tenure at 3 per cent. and issued at par might be completely successful on the basis of conditions then in existence.

Thereafter sometime was spent in obtaining legal advice as to the possibilities of acquiring the preference and ordinary shares of the Company against the issue of debentures. The Schemes were abandoned in view of the advice received and the proposal to float a loan and the best way to do it was resumed.

Among the discussions which the Municipal Commissioner and the Chief Accountant had on this subject with various parties the most important has been recorded in the letter, dated the 5th March 1947 from Messrs. Merwanji B. Dalal who after considering various pros and cons were of opinion that (1) the period of maturity may be fixed at 30 years, (2) the rate of interest be 3 per cent. *i.e.*, ¼ per cent. higher than the yield on quotations for Government loans of similar maturity, (3) the securities may be allowed to be underwritten by the Municipal Brokers, leaving if necessary, to the underwriters to determine the issue price as is done for Provincial Government Loans under the underwriting scheme of the Reserve Bank of India for such securities and (4) the Municipality should make an attempt to tap the money market at the earliest, not omitting the ensuing slack season, in consultation with the Reserve Bank of India.

Round about the time of the above-mentioned letter the following Government Loans were floated by the Reserve Bank of India:—

	Date.	Amount.	Tenure years.	Interest per cent.	Issue Price.	Remarks.
		Rs.			Rs. a. p.	
Govt. of India	1-8-1946	35 Crores 1961	15	2½	100 0 0	Well received.
Do.	5-8-1946	20 Crores 1961	15	2½	100 0 0	Do.
Do.	15-11-1946	35 Crores 1954	7	2¼	99 8 0	Not fully subscribed.
Do.	14-10-1946	247.27 Crores Conversion 1986.	40	3	100 0 0	
Do.	14-10-1946	14.60 Crores Conversion 1976.	30	2¾	99 0 0	
Madras	2-9-1946	4 Crores	15	2¾	100 8 0	Not fully subscribed.
United Provinces.	2-9-1946	2.50 Crores	15	2¾	100 8 0	Over subscribed.

(*See* Report of the Central Board of Directors of the Reserve Bank of India for the year ending 30th July 1947, page 13).

Between May 1947 and July 1947 the crucial period in which the raising of the loan was being considered by the Corporation the market for gilt-edged may be considered as very steady. The 3 per cent. 1970-75 and 3 per cent. 1986 conversion loan, which are comparable loans, moved about Rs. 102 and Rs. 101 in the market and yielded about 2.86 and about 2.95 per cent. respectively.

There is nothing on record to show why the interest rate of the present Municipal loan was fixed at 3¼ per cent. leaving at the same time the issue price to be determined by the tenders under the under writing cheme of the Reserve Bank of India.

In his letter. dated 2-4-1947 to the Municipal Commissioner the Governor of the Reserve Bank of India says that the public might expect a higher rate for a municipal loan but leaves it to be determined nearer the time of issue. He is silent on the question of issue price.

However, the rate of interest was fixed at 3¼ per cent. and the underwtiting commission at ½ per cent. the latter, *i.e.*, underwriting commission in consultation with the Reserve Bank, on the grounds that the rate of ¼ per cent. offered as underwriting commission in the case of a loan recently floated by them for a Provincial Government did not attract favourable response from the underwriters and tenders for underwriting were invited on 8th July 1947 by the Reserve Bank with the result set out below in a summarised form:—

Rs. a. p.		
101 8 0	..	20 Lakhs.
101 0 0	..	.. 136 ,,
100 12 0	..	.. 5 ,,
100 8 0	..	.. 49 ,,
100 4 0	..	.. 72 ,,
100 0 0	..	.. 375½ ,,
99 12 0	..	.. 22½ ,,
99 8 0	..	.. 206 ,,
		886 Lakhs.

(and some lower offers amounting in all to Rs. 139 lakhs).

The underwriting scheme of the Reserve Bank provides for invitation to underwriters, the Reserve Bank supplying to them the undermentioned particulars:—

(*a*) the amount, duration, and nominal rate of interest of the proposed loan and such other particulars as it may consider relevant,

(*b*) the date and places at which tenders for underwriting will be received, and

(*c*) the commission payable.

The Standing Instructions of the Reserve Bank of India further provide that tenderers are required "to state the amount which the tenderer is prepared to underwrite and the *highest price* at which he is prepared to underwrite it." Under these rules highest price can obviously be one; yet some tenderers have quoted several different prices. It is, therefore, not clear what system was adopted in determining the issue price. Even under the procedure actually adopted more than 75 per cent. could have been underwritten above par. It is also not clear whether it was permissible to call a meeting of the underwriters or the Municipal Brokers and to ascertain whether the whole issue could not be underwritten at or above par. An ordinary borrower would have paused before accepting a loan on more onerous terms even when he could have covered 75 per cent. of his requirements at very advantageous terms. And yet the Reserve Bank under their rules in force for underwriting recommended to the Municipal Commissioner to fix the issue price at Rs. 99-8-0 being the highest rate at which the loan would be fully underwritten and the Corporation on the advice of the Standing Committee and the Municipal Commissioner sanctioned the issue on the terms under urgent items on 22nd July 1947.

The loan is the biggest that the Corporation has ever raised in its life-time. At a time when the gilt-edged market was very steady and the 2¾ per cent. 1976, and 3 per cent. 1970-75 and 3 per cent 1986 (Conversion) which are comparable loans moved about Rs. 99-8-0, Rs. 102 and Rs. 101 in the market and yielded about 2.80, 2.88 and 2.95 per cent. the Corporation raised the money at Rs. 99-8-0 per cent. with 3¼ per cent. interest in addition to the payment of ½ per cent. underwriting commission. In considering the settlement of the terms of the issue and the actual rate sufficient emphasis was not laid on the fact that the fices of the Corporation have been managed with care and its reputation among the public that its borrowings offered sufficient security if not more than that of some provincial goverinments. The issue of a small loan by comparison on rather generous terms as in the present case would run counter to the declared policy of the Reserve Bank in respect of cheap money and the need of the country to stabilise the interest rates at the lower levels reached in accordance with this very policy. It would therefore appear that there has been a marked absence of any discernible desire or anxiety to consider the above facts prior to the issue of the loan on the present terms.

It seems faieerly certain that with the high reputation in which the Municipal finances are held by the public and the popular prior issues of the Municipal loans are eagerly sought after by the Bombay Public and the market conditions ruling at the time and from the trend of underwriting quotations a loan bearing 3 per cent. intererest at par would have received equally adequate response from the public. The net result has been that the Corporation would have by more careful handling of the negotiations after mature consideration saved the following amounts:—

	Rs.
I.—(*a*) If the loan were issued at par instead of Rs. 99½	4,12,500
(*b*) ¼ per cent. difference in underwriting commission	2,06,250
	6,18,750
II.—Recurring burden for 30 years of ¼ per cent. excess interest over the normal 3 per cent. Annually Rs. 2,06,250	61,87,500
	68,06,250

The loan was oversubscribed to almost twice the amount of the requirements within half an hour of its issue and was quoted at Rs. 100-8-0 privately in the market just after. The official quotation is over Rs. 101 on this date. It seems that these large scale financial transactions overtook the Municipal Administration with diffidence generated by the outside financial advisers although not warranted by the high credit of the Corporation prevailing in the outside world. Any trained financier would have taken the tendered advice of dalals with full circumspection of the case and put the loan in the market at competitive rate which would have brought cent. per cent. capital if not a premium.

The above criticism might be regarded as flogging a dead horse, but Auditor's duties comprise mostly of such post-mortems which are intended to discover lapses and to point a moral for future guidance. The disadvantage to the Municipal Fund to the extent of Rs. 68,06,250 is beyond remedy but it is hoped that my observations may serve as guidance to the Administration when in future the Corporation goes out to borrow funds as they may have to do in view of the future programme.

Manager, Bombay Electric Supply and Tramways Undertakings.

The Municipal Commissioner took steps to give assurances to the present staff of the Bombay Electric Supply and Tramways Company to continue their services (*vide* Corporation Resolution No. 1402, dated the 13th February 1947), just after the notice to take over the Bombay Electric Supply and Tramways Undertakings was served on the Company.

However, at a later date the Commissioner under his letterNo. S.R. 7182, dated the 22nd July 1947 recommended to the Standing Committee and the Corporation to appoint Mr. A. L. Gilford as the Manager of the Bombay Electric Supply and Tramways Undertakings. Mr. Gilford's terms to continue as the Manager under the new management are:—

(*i*) That he should receive a salary of Rs. 4,500 per month for the first year and Rs. 5,000 per month for the second year.

(*ii*) That he should receive a House Rent, including rates and local taxes, not exceeding 10 per cent. of his salary, the whole free of tax. (At present he is drawing a House Rent of Rs. 307-10-2).

(*iii*) That he should be allowed free electricity at the place of his residence.

(*iv*) That he would be allowed a motor car allowance of Rs. 200 per month.

(*v*) Furlough and Leave (in accordance with established practice)—

That he would be allowed two months' furlough on half pay out of India in respect of each twelve months' service in India and one month's leave on full pay in respect of each elven months' service in India, the latter being availed of as local leave or in combination with furlough, both furlough and leave being pro-rated for any period of service. The balance of accrued Medical leave at the rate of one month per year of service on full pay upto a maximum of three months, may also be combined with furlough. (As far as possible furlough is taken every alternative year, with free return passage in accordance with the Company's Standing Order. The next furlough is normally due in 1948).

(*vi*) That he would be allowed Provident Fund, Gratuity and savings fund in accordance with the Standing Orders of the B. E. S. & T. Co., Ltd.

(*vii*) That his service with the Municipality would be counted as continuous with services with the B. E. S. & T. Co., Ltd., for all purposes.

(*viii*) That any concessions granted generally to the 'A' Grade Officers of the undertaking would be equally applicable to him.

(*ix*) That any bonuses which may be granted to the staff would be applicable to him on the same basis

(*x*) That he would be permitted to assist the B. E. S. & T. Co., Ltd., or the liquidators of the B. E. S. & T. Co., Ltd., as may be necessary and to accept remuneration therefor.

(*xi*) That he would be permitted to retain existing Directorships and receive remuneration therefor, and to accept further Directorships with the approval of the Corporation. (At present he is a Director of the Ahmedabad Electricity Co., Ltd. , and the Surat Electricity Co., Ltd).

(*xii*) That except as expressly provided he would be allowed the benefit of the Company's Standing Orders.

(*xiii*) That a specific contract for a period of two years in the first instance with an option to renew for a further period of three years on the same terms and conditions, should be entered into with him. During the initial period of two years, he should be at liberty to resign the post after giving six months' notice in this behalf either if he feels that adequate assistance and support in the management is not forthcoming to him, or if the state of his health necessitates his leaving India, in the latter case his resignation being supported by Medical Certificate. In case the term is renewed for a further period of three years as provided for in the option clause, either side would be at liberty, during that period, to terminate the contract without assigning any cause whatsoever on giving six months notice.

Further following two conditions were laid by him if the appointment was for six months :—

(1) Provided the appointment is made firm and an agreement is entered into within the six months period as if from 7th August 1947, on the terms and conditions mentioned above, without any variation whatsoever, and provided his membership of the Provident Fund and Savings Fund is permitted to continue during the period pending the appointment being made firm, he would be prepared to serve during such period on the Pay and Allowances detailed in para. 3 above.

(2) If the appointment is not made firm and an agreement entered into as detailed above within the period of six months from 7th August 1947, the Corporation should agree to meet the cost of first Class P. and O. Line, 'A' accommodation passages for himself and his wife and pay him the sum of Rs. 40,000 as compensation by six equal monthly instalments commencing on 7th February 1948.

The Standing Committee (*vide* their Resolution No. 681, dated the 23rd July 1947) and the Corporation (*avide* their Resolution No. 534, dated the 4th August 1947) considered this matter as an urgent item and appointed him as the Manager of the Undertakings for a period of six months on the above terms. The terms are no doubt attractive and are verging to extravagance in these days of the policies of the Central Provincial Governments and other public bodies based on public opinion to reduce the salaries of higher paid officials. The Bombay Electric Supply and Transport Committee have only recently advertised for an Assistant Manager as the appointment lay vacant since the retirement of Mr. Trollip as the Manager and Mr. Guilford taking his place. If timely thought had been given simultaneously with the decision of the Municipal Corporation to take over the Bombay Electric Supply and Tramways Company, for this appointment it would not have been difficult to secure the services of a well qualified experienced Engineer from the Bombay Province and failing that from India to manage the affairs of the concern quite efficiently on reasonable terms by inviting applications by public advertisement.

Special Engineer, Municipality.

The Municipal Commissioner, Mr. U. M. Mirchandani, went on leave on 22-5-1946 and Mr. N. V. Modak, the City Engineer was appointed to act as the Municipal Commissioner on Rs.3,000 per month by Government. This necessitated Mr. Modak resigning from his post as the City Engineer under the Municipal Act and Mr. Modak took charge of his new office of the Acting Municipal Commissioner on 22-5-1946 and acted as such upto 21-9-1946 as the Government appointed Mr. B. K. Patel as the Municipal Commissioner from 22-9-1946. Mr. Patel on 23-9-1946, *vide* his letter No. S.R. 11317, recommended to the Standing Committee to appoint Mr. Modak as the Special Engineer on Rs. 3,000 per month with a free car on tthe grounds of expediting the execution of major ca pital works such as Bhivpuri Water Supply Scheme, etc., and he Standing Committee as an urgent item passed Resolution No. 999 of 25-9-1946 appointing Mr. Modak as Special Engineer for a period of six months in the first instance. Mr. Modak took charge of his office as the Special Engineer on 26-9-1946. His appointment was renewed by the Commissioner with the sanction of the Corporation under their Resolution No. 1659 of 25-3-1947, until such time as the Corporation could take action unden tihe amended Act as per the Legislative Assembly Bill No. XVII of 1947. Under Corporation Resolution No. 60 of 10-4-1947, sanction was given by them for expenditure being incurred for engaging the services of Mr. Albert Mayor of Messrs. Mayer Whittlesay, New York, U.S.A., (along with his traffic associate) to help Mr. Modak in the preparation of the "MASTER PLAN."

It is a fact that owing to the lack of materials available and the high prices ruling during the war and afterwards, most of the capital works and other works for which there was no urgent necessity were at a standstill and therefore there was and is not such a pressure of work in the Engineer Department as it was during the pre-war days, and, therefor, it seems that the City Enginer's post lies vacant. However, Mr. Modak is well assisted by experts in his work as a Special Engineer.

Ordinarily, under the Municipal Service Regulation No. 67 Mr. Modak should have retired after completing his 55th year on 12-12-1945. However, he was continued on special contract under Regulation 3 of the Municipal Service Regulations (*vide* Corporation Resoluion No. 212, dated 3-7-1945) as the City Engineer and later on as Special Engineer after acting as the Municipal Commissioner as mentioned above. Uptill now it has not been the policy of the Corporation to continue superannuated persons in their services.

Remuneration Re : *Private Jobs undertaken by Municipal Officers.*

In my last report I reported that the Municipal Chief Auditor had occasions to pronounce the items of expenditure as not legally incurred or not falling within the rules and regulations made in that behalf by the Corporation so as to require their refund to the Municipal Fund and yet the authorities concerned persisted in justifying the payments made by offering arguments instead taking the necessary actions for regularising the matters. In the case of Mr. Modak, the then City Engineer, now Special Engineer, who undertook private jobs and received remuneration from private parties while on active Municipal service, Audit pronounced an opinion that Mr. Modak could not legally attend to private works and receive remuneration. On a reference made to the Municipal Solicitors Messrs. Crawford, Bayley and Company, they opined also that Mr. Modak's acceptance of outside work and remuneration therefor was irregular. As it involved irregular payment of salary and allowances to Mr. Modak for the days he was not on Municipal duty and also involved a breach of the condition of his appointment as per provisions of Section 74 of the Act the Municipal Commissioner was requested to regularise it by granting Mr. Modak leave under the Municipal Service Regulations under Section 81 of the Act and by adjusting his salary and allowances for that period as required by Note 3 to Regulation No. 81 of the Municipal Service Regulations. Although more than a couple of years have passed since the first reference was made to the Municipal Commissioner no action has yet been taken by the Commissioner to recoup to the Municipal Fund the excess pay and allowances paid to Mr. Modak for the period. In the interest of better administration there seems to be an imperative need to look into the matter at the earliest.

Liabilities and Assets.

The property and assets under Loan Funds as shown at the original cost in Appendix 8 are being replaced from time to time or disposed of as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the value for those assets which have been scrapped or disposed of and are no longer in existence.

In the Schedule of Assets also are included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore it cannot be said that the Municipality is holding assets to this extent. Such items may be shown in the Balance Sheet under a separate head. This suggestion is being repeated from year to year but still remains unattended to.

Municipal Properties.

In the audit report for the year 1944-45 it was reported that a revaluation of the properties on hand with the several Municipal Departments was necessary. Following this suggestion after years of insistence by the Corporation an inventory of Municipal properties in and outside the city excepting the properties in charge of the Estate Agent and Land Manager's Department, has been submitted by the Commissioner to the Corporation. The Commissioner promised further report on properties in charge of the Estate Agent and Land Manager's Department after the statements showing the financial results of Ex-Trust and Municipal Land Development Schemes undertaken by the Corporation during the last 25 years (*vide* Corporation Resolution No. 1074 of 19-2-1942) were completed. The report is still pending.

Plant and Machinery.

No statements of plant and machinery for the year ending 31st March 1947, duly verified by the Chief Accountant have been submitted for audit along with the accounts for the year and therefore the figures on account of machinery shown as an asset in the Balance Sheet cannot be vouchsafed without certificates of existence of the plant and machinery.

The desirability of bringing all plant and machinery from whatever source purchased on the records after due verification by the Chief Accountant though pointed out often has not yet reached a satisfactory stage of completion.

Stores Purchase.

Articles of usual annual requirements are scheduled and contracted for by the Controller of Stores The Engineering Department also prepares a petty works schedule for which separate contracts are entered into by that Department. It has been observed that many of the items appear in the Schedules of the Controller of Stores as well as of the Engineering Departments at varying rates. The Controller of Stores being the only authorised agent of the Corporation to purchase and supply all articles of usual requirements to the Municipal Departments, the Engineering Department should not enter into separate contracts for its requirements.

In order to have a proper check and control over the accounts of cash, stores and materials and to acilitate tracing of responsibility in cases of defaults, the Commissioner was requested four years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all the Departments in respect of these matters and he has given orders accordingly to the Departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

Income.

(1) *Miscellaneous Departments.*—Attention is invited to the remarks made in the previous years' Audit Reports under this head, regarding the revenues of the Corporation, about lack of co-ordination of the departmental accounts with those kept by the Chief Accountant and want of the internal check of the Accounts Department over the Departmental Accounts, required as a safeguard against possible omissions and irregularities in the accounts. In spite of revision of the forms of registers of the Miscellaneous Departments from 1-4-1939, and the strengthening of the staff of the Chief Accountant's Office the Departments are found slow to adapt themselves to the new system of balancing and closing of departmental books and of certifying the accounts quarterly by means of returns. The improvement of the position of returns whichwas marked in the year 1943-44 has deteriorated since then, as will be seen from the position of the returns received upto the year 1946-47 given elsewhere in this report, which shows that most of the Departments are in arrears for a quarter or two, while no return for the year under report has yet been received from the Superintendent of Markets, Legal Assistant, Hydraulic Engineer, Assistant Health Officers A and B Wards and F and G Wards, Supervisor of Conservancy, City Engineer's Buildings and Works Branches, Drainage Department, K. E. M. Hospital and Fire Brigade.

It is also observed that unduly long time is taken by the Accounts Department in verifying and submitting to audit the returns which are sent by the Departments after a good deal of delay, Reconciliation of departmental figures with those on the Chief Accountant's books is rendered impracticable in cases in which the relative vouchers are not available in the Chief Accountant's vouchers files. The Chief Accountant's Department cannot so lightly deal with the record of vouchers. Moreover, it is observed that the work of checking the Registers in the Departments by the Chief Accountant's staff is either incomplete or entirely omitted in some cases. Instances of such omissions or neglect by the internal checking staff were brought to the notice of the Municipal Commissioner.

In the circumstances, the accounts of the Miscellaneous Revenue shown in Appendix 3 of the Chief Accountant's report lack the requirement of yearly reconciliation with Demand Registers of the Departments as on 31-3-1947.

(2) *Assessment and Collection Department.*—(*a*) *Wheel Tax.*—It is not possible to know whether the wheel tax in respect of all hand-carts and bullock carts in the City is being recovered continuously from quarter to quarter and year to year as these carts are not like motor vehicles required to be registered. With a view to seeing that such vehicles do not escape the wheel tax necessary steps should be taken to register them on the lines of other vehicles.

(*b*) *Inspection of Properties.*—According to the tabulated ward reports properties on account of rise in rents were inspected by the staff of the Assessor and Collector during the period 1-4-1945 to 15-11-1945 out of which 1523 were inspected during the fortnight ending 15-11-1945. This shows that the initial inspectorial ward staff have done 42 per cent. of the total work of 7½ months in a single fortnight in addition to their numerous duties. This means that the revisions in valuations are being rushed through at the end of the year and therefore the examination of the cases by the Head Office seems to be more or less nominal

Part-payment of Bills.—There were about 1,600 outstanding bills as on 31-3-1947 found enfaced for part-payment of water or other taxes and some of these were even so enfaced for more than once. These part-payments are very often resorted to by the rate-payers to delay action. The Department should, therefore, take steps to discourage these methods of postponements of legal action by taking swift action as far as practicable in such cases.

Misappropriation of money.—Misappropriation of money by two Inspectors of the Assessment Department by substituting in a planned manner fictitious cheques in lieu of the cash collected by them for house etc., taxes was reported during the current year and the matter is being investigated. Such kind of misappropriations is inherent in the present defective system of entrusting house to house collections to Inspectors and recur periodically. Apart from the defective system the fraud is the result of the neglect of duty on the part of the supervising staff of the Department in the matter of control of cheques brought in by the Inspectors against the bills issued by them (For example an Inspector to whom several bills of small amounts totalling Rs. 1,000 are entrusted for collection brings in a cheque for Rs. 700 for several bills referring to different parties and Rs. 300 in cash). Such irregular methods adopted by the Inspectors should have immediately put on guard the Departmental Officers if they had been normally vigilant in their duties. Similar laxity has also been found in watching the realisation of dishonoured cheques in the hands of the Inspecors for long periods.

Reconciliation of Accounts.—The figures of collections in Assessment Bill Books as reconciled by the Chief Accountant with his books are not received by Audit and hence the figures of receipts from taxes shown in Appendix 3 of the Chief Accountant's report lack the requirements of yearly reconciliation with the Demand Registers (Bill Books) of the Department as on 31st March 1947. In this connection this year too I repeat the observation that no Auditor can agree to allow the accounts to remain open and unreconciled at the end of the year on which the accuracy of the year's working can be tested and on which rests the safety of non-interference in future with the accounts of such a vast organization as the Bombay Municipal Corporation.

Arrears of Rates and Taxes.—The demand and outstandings in respct of property taxes and tax on vehicles and animals were 491.27 lakhs and 59.46 lakhs, the percentage of outstandings to the demand being 11.86 and 17.70 respectively. The Assessor and Collector has worked out the figures of demand at Rs. 321.30 lakhs and outstandings at 15.06 lakhs, from private parties (excluding Mills)showing the percentage of outstandings to demand at 4.69. The figure of outstandings of 15.06 lakhs does not include the sums of Rs. 1.82 lakhs and Rs. .43 lakhs involved in suits filed and the claims payable by the Court Receiver and the Official Assignee, Rs. 13.36 lakhs disputed by the Garrison Engineer (Hirings) and other officers of the Government of India in respect of buildings and lands requisitioned and structures erected by Government for emergency purposes on land leased and occupied by Military, Rs. .55 lakhs held in deposit pending settlement of disputes, Rs. .4 lakhs outstanding against other Municipal Departments and Rs. 15.76 lakhs for amended bills issued in March 1947.

(3) *Estate Agent's Department.*—In the case of the Estate Agent's Department regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees, etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, audit has been making persistent efforts, since the year 1938-39, to check the tendency of allowing the arrears to accumulate by issue of audit notes, i.e., calling for explanations for delays in taking action against defaulters in the initial stages for the large amounts of arrears against some individual tenants in respect of vacated tenancies. These arrears of vacated tenancies do not yet seem to receive as much attention of the Departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the Departmental Officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrence of the cases pointed out by audit and as a result, some improvement has been noticed in that respect.

Reconciliation of Accounts.—The reconciliation of figures of collection as shown in the Demand Registers of the Estate Agent's Department with those of the Chief Accountant's Registers for the year 1946-47 has not been received duly verified by the Chief Accountant and therefore the figures shown in Appendix 23 of the Chief Accountant's Abstract of Accounts also lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

Arrears of Rent.—The percentages of arrears of demand in respect of permanent and temporary lettings of ex-trust properties were 12.63 and 35.63 respectively. The write-off in connection with the temporary revenue was Rs. .23 lakhs against the gross demand of Rs. 42.08 lakhs.

Permanent Revenue.—The arrears of the tenants which were Rs. 3.37 lakhs on 31st March 1944, Rs. 3.35 lakhs on 31st March 1945 and Rs. 3.94 lakhs on 31st March 1946, were Rs. 4.62 lakhs at the end of the year under report.

Temporary Revenue.—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears.

Schools Committee.

(1) *General.*—Internal check and control in the Accouts Section of the Schools Committee's Office is still not upto the mark and the corrective measures for neglects and defaults are not still sufficiently enforced in respect of—

(*i*) Clerical errors and omission and commission.

(*ii*) Technical breaches of rules and regulations.

(*iii*) Measures involving waste due to non-observance of propriety of expenditure.

Persistent efforts are being made by Audit by issue of audit notes and instructions and occasional reports to the Standing Committee to bring the irregularities under control. Still there is a general apathy to carry out wholesome instructions and suggestions made by audit regarding the prescribed procedure of accounting followed by other sister Departments of the Municipality.

(2) *Budget.*—The Budget of the Schools Committee, as reported in the previous reports, is not being prepared in the manner to facilitate control over the details of expenditure according to the usual budget method and on the standard followed by the other sister departments of the Municipality. Suggestions for standardisation of the budget and the preparation of the Establishment Schedule in greater details on the lines of the sister Departments are being continually made in the audit reports every year, but nothing has been done uptill now.

Expenditure without provision and sanction of the Corporation.

Assistant to the Secretary, Schools Committee.—A post of an assistant to the Secretary, Schools Committee, has been created and filled up by the Schools Committee to relieve the Secretary of a good deal of routine office work. As under Section 76A(2) of the Municipal Act, the post required to be sanctioned by the Corporation and hence the payment of salary to the incumbent of the post being inadmissible in audit the matter has been reported to the Standing Committee and the Corporation.

Training Classes.—It was noticed that the usual procedure of obtaining Corporation's previous approval to and making necessary provision of funds in the budget for Training Classes for overage Municipal teachers was not followed. (Schools Committee's Resolution No. 81, dated the 24th April 1946). The Schools Committee after providing for this purpose Rs. 10,000 out right by a temporary transfer from the grant for furniture approached the Corporation for an additional grant of Rs. 1,32,000 for the Scheme and the Corporation, after discussion, sanctioned ultimately Rs. 40,000 only. (Corporation Resolution No. 1653, dated the 20th March 1947).

(3) *Expenditure.*

Expenditure on Training Classes.—The expenditure on the Training Classes according to the Schools Committee Accounts for the year 1946-47 is shown as Rs. 48,130. However, actual total cost of the Training Classes would come to nearly Rs. 2,44,273 inclusive of the cost of duty pay and dearness allowances paid to the teachers attending the Training Classes. This expenditure could be avoided if recruitment of teachers is restricted to the trained techers only.

(4) *Sanction of expenditure of recurring nature without regard to the requirements of the Department.*

(*i*) *Census Department.*—Although with the permission of the Government the yearly census operation of the non-attending children of school going age (under the Compulsory Primary Education Act for the City of Bombay) was not being undertaken every year, no proportionate savings in the Establishment Charges has been effected. For instance, a new post of Assistant Special Attendance Officer in the grade of Rs. 175-10-225 *plus*, Rs. 49 Conveyance Allowance, now revised to Rs. 240-15-300 *plus* Rs. 40 Conveyance Allowance, was created on the ground that it was necessary, as the penal clauses of the Act would be enforced against the defaulting parents (Schools Committee Resolution No. 453, dated the 12th July 1946). The Schools Committee have since then resolved that they were not in favour of adopting coercive measures at present.

(Schools Committee Resolution No. 223, dated the 7th May 1947). In view of this policy instead of discontinuing the post of the newly created Assistant Special Attendance Officer, conversion of still another post of Junior Assistant Attendance Officer to the higher post of Assistant Special Attendance Officer was sanctioned. (Schools Committee Resolution No. 424, dated the 25th June 1947) and a further proposal to convert the 3rd post of a Junior Attendance Officer into that of Assistant Special Attendance Officer is before the Schools Committee.

(*ii*) *Byculla Training Classes.*—Instead of relieving two temporary teachers on the abolition of the Byculla Training Class, these teachers were accommodated to two newly created posts of (*a*) Science Inspector and (*b*) an Inspectress and for creating the latter post the basis of one supervising officer for every 9,000 pupils was lessened to 5,000 pupils.

(*iii*) *Hindustani Organiser.*—Although the Hindustani Organiser had attained the age of superannuation, he was employed for three years from 2nd November 1946 to 31st March 1949, in a temporary capacity on a fixed salary of Rs. 275 per month *plus* Rs. 30 conveyance allowance. No efforts appear to have been made by the Schools Committee to secure the services of any other person for the post by inviting applications by public advertisement. The Corporation when approached by the Schools Committee for ratification of the appointment, referred the matter back to the Schools Committee, who have now decided to discontinue his services from 1st December 1947. (Schools Committee Resolution No. 831, dated the 12th September 1947).

(*5*) *Service Regulations.*

Although the Municipal Medical Examiner under Rule 9 of the Municipal Service Regulations, certified some temporary teachers unfit for employment they have been continued in service by the Schools Committee (*vide* Schools Committee Resolutions Nos. 352 and 1201, dated the 26th June 1946 and 18th December 1946, respectively.).

(*6*) *Revision of grades paid out of School Fund.*

The Schools Committee have recently revised the grades of their employees and different rules are adopted for fixing the salaries in the revised grades of different classes of employees. The Superintendents, Assistant Superintendents, Inspectors, etc., are given one increment for each completed year of service in their grades ; the trained and untrained teachers are given maximum increments of 6 and 5 respectively, after adjusting their salaries on the basis of one increment for each year of service ; the clerks and menial staff are given increments according to the rules adopted for the staff in the departments under the Municipal Commissioner. Thus against three maximum increments permitted in the departments under the Municipal Commissioner, the Schools Committee have given maximum of 6 and 5 increments as mentioned above.

To avoid unnecessary complications in fixing salaries, etc., and heart-burning amongst the staff under the Schools Committee and of the sister departments, it is desirable to give uniform treatment to the staff in all the Municipal Departments, Moreover, if the Schools Committee had followed the policy adopted by the Standing Committee and the Corporation in this respect for the employees of the departments other than the Schools Committee's a substantial saving could have been effected in their expenditure.

(*7*) *Cost of Primary Education*

The cost of primary education in the City which was Rs. 39.69 lakhs in 1939-40 increased to Rs. 72.37 lakhs in 1946-47 and budgeted expenditure for the year 1947-48 is Rs. 73.18 lakhs. These figures are exclusive of expenditure for supply of milk to undernourished children, but include the expenditure on the School Clinics and the expenditure out of the receipts of the Schools Committee. The average cost per pupil in 1939-40 was Rs. 35.69 which has reached the figure of Rs. 70.59 in 1946-47. This apparently extraordinary rise in expenditure during the last 7 years, as stated in the previous reports, may be attributed to the following measures :— (1) Lowering down of the limit of pupils per teacher from 60 to 40, (2) Opening of additional Central Schools, (3) Abolition of percentage of trained teachers for the purpose of granting trained teachers' salaries and increasing the staff of the trained teachers, (4) Granting of trained teachers' grades retrospectively to the staff with adjustment of salaries from the beginning of their services without their having rendered effective services as trained teachers during the period (Schools Committee's Resolution No. 1008, dated the 15th December 1942 granting these benefits, has now been rescinded by the Schools Committee under their Resolution No. 1263, dated the 8th January 1947), (5) Bringing of greater number of children to schools under the Compulsory Education Drive, (6) Payment of dearness allowance and (7) Opening of Training Classes for teaching Hindustani and for overage teachers.

The expenditure on the objects for improvement of education cannot be grudged, but the examination of accounts shows the following items of expenditure of an avoidable nature :—

(*i*) In the calculation of the ratio of one teacher to 40 pupils (*a*) special teachers who engage the classes in the special subjects during the school hours, and (*b*) part-time of the teachers (attached to the infant and 1st standard classes for three and quarter hours only daily, under the two sessions system) devoted to other classes are not taken into account, with the consequence that the teachers actually employed by the Schools Committee are in excess of the proportion approved of by the Corporation.

(*ii*) Special teachers who have to move about from School to School for teaching special subjects are not allotted in one zone only, so as to save time and conveyance allowances payable to them. If a co-ordinated policy of allotting special teachers to particular schools in particular parts of Bombay with due regard to their location is adopted, it would save a good deal of time and number of such teachers and also conveyance allowances.

(*iii*) Monthly contingent requirements of schools are not made through the central agency.

(*iv*) The various Training Institutions for teachers run at the Municipal expense would be unnecessary if the recruitment of teachers is restricted to candidates trained in Government Instituions, as formerly, in view of the fact that the educational policy is now in the hands of our National Government and is supposed to be on the line of the National requirements. Moreover, the establishment and maintenance of training classes for teachers should be a legitimate charge on the National Revenue.

(8) *Scope of Primary Education and Activities other than Primary Education.*

The opinion of the Counsel Mr. B. J. Desai that the scope of Primary Education is limited to certain primary vernacular standards only has been adopted by the Corporation and the question arising therefrom whether the Schools Committee is competent to incur expenditure on items other than those covered by the term "Primary Education," as interpreted by the Counsel, is still pending. (Corporation Resolution No. 809, dated the 10th January 1946). If the scope of Primary Education is restricted to standard 4th only as opined by the above Counsel a good deal of saving can be effected.

(9) *Verification of Stock.*

The stock verification work has not still been put on a systematic basis, although nearly 3 years have passed, since the Schools Committee have agreed to carry out the suggestions made by the Test Audit Officer (Corporation Resolution No.259, dated the28thJune 1943) and although the Budget provision for the appointment of staff for this purpose is being made from year to year.

Delay in replies to audit notes.

Audit notes addressed to the Departments have to be disposed of by them promptly as required by Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules approved under Corporation Resolution No. 4787, dated the 4th September 1939. However, it may be observed that 650 audit notes covering a period from 1939-40 to date are outstanding. This delay entails a heavy work of issuing periodical reminders and watching their progress on the staff of this office. Some of the Departments after receiving several reminders from this office ask for copies of audit notes on the ground that the originals were lost or misplaced ; some report that the papers required for replying to the audit notes are not traceable, misplaced or destroyed and suggest that replies to audit notes may not be insisted upon. Time is the essential factor in audit examination and disposal of the objections. Too much emphasis can not therefore, be laid on the necessity of quick disposal of replies to audit notes on the part of the Departmental Heads. It is time that some corrective measure is taken against persons directly responsible to attend to the audit notes.

Delay in submission of Audit Report.

This year the delay in submitting this Audit Report to the Standing Committee is due to the annual accounts having been received for audit late by about two months from the Chief Accountant. As the audit report is required to be forwarded to the Corporation along with the Administration Report of the Commissioner it is necessary that the final accounts should be submitted by the Chief Accountant for audit at least by the end of July every year. It is trusted that necessary arrangements will be made from the next year to enable audit to forward the Audit Report to the Standing Committee in time.

FINANCIAL POSITION OF THE CORPORATION.

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal Proper) was Rs. 536.81 as detailed in the margin against the Budget Estimate of Rs. 507.38, Revised Estimate of Rs. 537.01 and previous year's actuals Rs. 487.37. The realisation was thus better by Rs. 29.43 as compared with the original Budget Estimate and more by Rs. 49.44 as compared with the actuals of previous year.

Actual revenue realised from the following important sources :—

	Rs.
1. General Tax	... 214.08
2. Water Tax	... 147.74
3. Halalkhore Tax	... 48.03
4. Fire Tax	... 7.69
5. Wheel Tax	... 19.40
6. Licences for trades, land conveyance and music	2.69
7. Town Duties	... 16.18
8. Return from property and Miscellaneous	... 81.00
Total Rs.	...536.81

Similarly, the actual expenditure charged to revenue was Rs. 511.92 as shown in details in the margin as against the Budget Estimate of Rs. 508.57 and previous year's actuals of Rs. 493.13. It thus resulted more by Rs. 3.35 than the budgeted amount and exceed the previous year's actuals by Rs. 18.79. The year's working left a surplus of Rs. 24.89 as against the budgeted deficit of Rs. 1.18.

Actual expenditure charged to Revenue under the following important heads :—

	Rs.
1. General Superintendence ...	... 7.73
2. Assessment and Collection ...	... 8.81
3. Fire Brigade	... 5.38
4. Public Works (Engineering)	...78.42
5. Public Health	... 50.27
6. Plague Expenses	... .97
7. Education	... 70.61
8. Medical Relief	... 27.40
9. Public Gardens	.. 2.50
10. General Stores	... 1.03
11. Pensions, Gratuities and Provident Fund	... 18.43
12. Contribution to Improvement Schemes	... 31,90
13. Miscellaneous	... 29.59
14. Debt	...123.57
15. Measures for Civil Defence Cr.	... 0.23
16. Dearness Allowance ...	... 57.44
Total Rs.	...511.92

The Revenue Fund at the end of the year stood at Rs. 89.84 and after deducting the amount of Rs. 39.65 used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 50.19. This balance at the beginning of the year was Rs. 60.20 and it stood at Rs. 50.19 at the close of the year showing a decrease of Rs. 10.01. A reference to the Statement of Assets and Liabilities of the Revenue Fund will show that actual amount of cash and securities held in the Revenue Fund Account was Rs. 339.07 (inclusive of Rs. 203.20 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 103·70 as detailed in the margin as against the Budget Estimate of Rs. 101.96 the Revised Estimate of Rs. 104.73 and the previous year's actuals of Rs. 100.96. The realisation was thus more by Rs. 1.74 as compared with the original Budget Estimate and by Rs. 2.74 as compared with the actuals of the previous year.

Actual income of Improvement Schemes Account realised from the following main sources :—

	Rs.
1. Rent and other proceeds of properties ...	60.15
2. Contribution from Municipal Corporation ...	39.00
3. Receipts on account of tobacco duty ...	8.61
4. Interest and profits on investments ...	4.66
5. Miscellaneous Receipts	.28
Total Rs. ...	103.70

The actual expenditure was Rs. 104.32 as shown in the margin as against Budget Estimate of Rs. 103.62 Revised Estimate of Rs. 114.54 and previous year's actuals of Rs. 102.05. It was thus more by Rs. .70 than the original Estimate and was more by Rs. 2.27 than the actuals of the previous year. This gave a deficit of Rs. .62 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 7.05 on account of outstanding charges.

Total expenditure charged to Improvement Schemes General Account under the following important heads :—

		Rs.
A.—Maintenance of Properties and Streets ...		27.73
B.—Cost of Management and Establishment	12.51	
C.—Proportionate cost on account of Municipal Supervision	1.25	
	13.76	
Less—Charged to General Account and Capital Account	13.76	
Debt Charges		76.59
Total Rs. ...		104.32

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 69.60 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 69.60 leaving a balance of Rs. .20 on 31st March 1947.

INCOME :—	Rs.
Contribution from Municipal General Fund ...	69.29
Fees	.23
Interest on investments of Trust and other Funds	.05
Miscellaneous	.03
Total Rs. ...	69.60

It might be mentioned here that the expenditure of Rs. 69.60 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection and supply of milk to undernourished needy children attending Municipal Schools. Adding this, the total expenditure on the Primary Education of the City works out to Rs. 73.17. Against this the amount of contribution received from Government during the year was Rs. 9.78.

EXPENDITURE :—	Rs.
Administration of Municipal Schools	65.68
Repairs to Municipal School Buildings ...	.21
Grant-in-Aid to Schools	3.71
Total Rs. ...	69.60

The Capital Account (Municipal) started with an opening balance of Rs. 8.72. Additional funds made available during the year were Rs. 36.50, by raising new loans to the extent of Rs.35.00 and by taking an advance of Rs. 1.50 from the Municipal Special Funds. The actual expenditure booked was Rs. 31.57 against the Revised Estimate of Rs. 91.69 leaving an unspent balance of Rs. 13.65. The actuals fell short of the Revised Estimate by 69 per cent. This shows a large disparity between the estimated and the actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly, the Capital Account (Improvements) started with an opening balance of Rs. 154.13. Receipts during the year amounted to Rs. 20.99. Against this the actual expenditure was (Rs. 3.40 on Schemes, Rs. .30 for repayment of loans and Rs. .62 deficit in General Account) Rs. 4.32. The balance left in the Capital Funds at the end of the year was thus Rs. 170.80.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1946 were Rs. 456.35. Credits during the year amounted to Rs. 67.87. The debits booked during the year amounted to Rs. 23.70, leaving a total amount of Rs. 500.52 in the Funds of which Rs. 450.86 were invested in cash and securities and Rs. 49.66 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the Report. Net accretions of the Special Funds during the year were Rs. 44.17.

The balances of the Sinking Funds , Municipal and Improvement Schemes Accounts, amounted to Rs. 347.48 and Rs. 392.30 respectively, at the book value of securities.

There was a net decrease in the loan liabilities under theMunicipal Account and Improvements Account during the year by Rs. 39.91 and Rs. 5.91 respectively. Excluding the balances and liabilties of the Special Funds which have been shown in details in the body of the Report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1255.12 for Municipal Account (Proper) and Rs. 1571.77 for Improvements Account, total Rs. 2826.89. Against this, the Sinking Fund accumulations at the book value of securities amounted to Rs. 347.48 in the Municipal Account and Rs. 392.30 in the Improvements Account, total Rs. 739.78. The percentages of debt charges on total expenditure of the Municipal Account and the Improvements Schemes Account are 24.14 and 73.42, respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1947 held in Office Treasury, Banks and Public Securities amounted to Rs. 17,14,88,942-5-7.

It will be seen from the income and expenditure that the year's working left a surplus of Rs. 24.89 lakhs, after crediting Rs. 17 lakhs to the Post-War Reconstruction Fund. However, this balance being exclusive of the contingent liability to the extent of Rs. 23.50 lakhs mainly in connection with the recent revision of the remaining grades, the effect to which is to be given retrospectively from 1-4-1946, leaves a meagre surplus of Rs. 1.39 lakhs. Further it may be observed here that the Budget Estimates for the current year (*i.e.*, 1947-48) have been balanced with the grant-in-aid given by the Government of Bombay to the extent of Rs. 30 lakhs. The problem of housing the increasing population of Bombay which has assumed greater magnitude recently owing to the refugees problem arising from the political division of India and the heavy responsibilities to be undertaken in connection with the Greater Bombay Scheme, the augmentation of water supply to the City and the expansion and improvement of other services will require more Capital outlay. This will eventually cause increased burden in the shape of debt and maintenance charges on the Revenues of the Corporation and will tax a great deal the financial acumen of all concerned in adjusting and preserving the equilibrium of revenue and expenditure in the very near future. It is, therefore, necessary to take immediately on hand the consideration of the measures necessary for increasing the sources of revenue and also for effecting all possible economies in the administration.

MUNICIPAL OFFICES,
BOMBAY, *15th November 1947.*

R. C. MEHTA,
Municipal Chief Auditor.

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of accounts:—

There are three main divisions of Municipal Accounts:—

I.—Municipal Accounts (Proper).

II.—Improvement Schemes Accounts.

III.—School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be subdivided into:—

A.—Revenue Account.

A1.—Suspense Account.

B.—Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into:—

(*i*) General Account.

(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year, such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further subdivided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of accounts of the Corporation published in the Bombay Government Gazette from week to week.

The Accounting System.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive Departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this, the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3 (O) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With the exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of—

(*a*) Hongkong and Shanghai Banking Corporation.

(*b*) The Chartered Bank of India, Australia and China, London.

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed, agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations, and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and this Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collections of Municipal dues from taxes, rents of buildings and lands, sale of rights, licence and other fees, etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes, payment of dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(*iv*) *Payments.*

All bills of establishments, contingencies, works, supplies, etc., received from the Departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans of the Trust through Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, London.

(*b*) DAILY ACCOUNTING.

The day-to-day transactions of receipts, payments and adjustments are introduced into the Main Accounts through Day Books. In case of expenditure, prior to passing bills for payment, they are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income, similar arangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up.As regards Miscellaneous Advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(*c*) WEEKLY ACCOUNTS.

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee (*vide* Section 135(1)).

(*d*) ANNUAL ACCOUNTS.

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(*e*) NATURE OF AUDIT CHECK APPLIED.

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government Securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance Sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

MUNICIPAL ACCOUNTS.

Expenditure.

The transactions covered by audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the Head "Advances", a separate report is being submitted as usual.

Some of the typical errors and omissions noticed during the year under report are summarised as under:—

(1) Advance payments to the Solicitors, Government and other bodies pending receipt of detailed accounts.

Inspection of the objection books maintained in the Chief Accounant's Office for the purpose of watching

M.C.A. 4169/I
16-2-1944 M.C.A. 604/I
8-3-1945 M.C.A. 1312/I
6-3-1946 and M.C.A. 2459/I
18-4-1947 & 16-5-1947

the clearance of advance payments made by directly debiting various expenditure grants to Municipal Solicitors, Government and other public bodies for attending to Court Cases and carrying out matters on behalf of the Corporation showed that out of the 140 outstanding items amounting to Rs. 1,43,533-15-8 upto 31-3-1944, ten only have been cleared during the year 1946-47. 116 more items pertaining to the year 1944-45, have since gone in arrears for over two years raising the total items to 246 and the outstanding amount to Rs. 1,90,077-5-5 at the close of the year 1946-47.

Some of the items pertain to years as far back as 1932-33. The Chief Accountant has often been written to clear these accounts early.

M.C.A. 111/I — 22-5-1944

Papers were called for in connection with various advances made to the Officer-in-Charge of the Relief Centres opened for those affected by the explosion of 1944. It was also suggested that the detailed accounts when rendered by the Officer or the Department should be produced to Audit before filing. On reviewing the objection book for the year 1944-45 it is noticed that several large amounts aggregating Rs. 1,13,500 still remain unaccounted for. As the relief work has ceased long ago, it is not understood why the amount should remain uncleared in the objection book.

M.C.A. 604/I — 11-9-1945

A sum of Rs. 9,178-5-0 was advanced in 1943 to Messrs. Crawford, Bayley and Company, Municipal Solicitors for being paid to a private party as compensation for set-back land, court cost, etc., awarded by Court. Receipt from the party was not obtained and the amount, therefore, remained outstanding in the objection book.

On a reference made by the Chief Accountant at the instance of Audit, the Solicitors explained that as the Municipal cheque was forwarded in their name they had passed a receipt to the Municipality and as their cheque was sent to the party, the party's receipt has been retained by them. However, the Solicitors' said letter has been filed with the claim.

(2) *Statement showing amounts of excess or wrong payments, omitted recoveries or short remittances recovered at the instance of Audit.*

Serial No.	Case No. and Date.	Amount.	Particulars.
		Rs. a. p.	
1	M.C.A. 1500/I of 25-5-1946.	9 11 0	Excess payment of conveyance allowance.
2	M.C.A. 1263/I of 31-1-1946.	91 8 0	Excess payments made to the Bombay Chronicle, Ltd., on account of advertisement charges.
3	M.C.A. 1874/I of 1-11-1946.	1 0 0	Excess amount recouped in imprest bill of F/N Architectural Branch.
4	M.C.A. 2109/I of 3-1-1947.	5 0 0	Excess payment of wages.
5	M.C.A. 2217/I of 8-2-1947.	1 2 0	Excess recovery of provident fund subscription.
6	M.C.A. 2272/I of 25-2-1947.	24 8 0	Do. do. do.
7	M.C.A. 2184/I of 23-1-1947.	0 1 0	Amount paid in excess in an imprest bill.
8	M.C.A. 1931/I of 18-11-1946	1 0 0	Excess recovery of provident fund subscription.
9	M.C.A. 2088/I of 28-12-1946	0 14 0	Do. do. do.
10	M.C.A. 2243/I of 21-2-1947.	1 14 0	Payment of Sales Tax charged by a contractor on goods indented prior to introduction of Sales Tax but supplied by the contractor late after the enforcement of Sales Tax.
11	M.C.A. 1862/I of 30-10-1946	3 10 0	Excess recovery of provident fund subscription.
12	M.C.A. 728/I of 16-5-1945 ..	121 1 0	Municipal contribution inadvertantly allowed in a final claim of a scavengering man.
13	M.C.A. 1873/I of 1-11-1946.	19 1 6	Discount on electric bills for street lamps in Improvements Scheme for July and August 1946.
14	M.C.A. 1579/I of 10-7-1946.	6 0 0	Daily allowance drawn in excess by an officer.
15	M.C.A. 1675/I of 14-8-1946.	3 5 0	Excess recovery of provident fund subscription.
16	M.C.A. 629/I of 14-3-1945.	6 1 0	Do. do. do.
17	M.C.A. 2352/I of 25-3-1947.	1 0 0	Do. do. do.
18	M.C.A. 1308/I of 5-3-1946 ..	0 11 0	Excess payment of dearness allowance.

(3) *Rules, Procedure, etc.*

M.C.A. 1621/I — 23-7-1946

A bill for Rs. 8,294-13-0 was passed for payment by the Chief Accountant in connection with the construction of two temporary small pox Wards at the Arthur Road Hospital. It was noticed that neither quantities nor rates in respect of 5 items were stated, a sum of Rs. 538.38 was charged on account of cash purchases without any particulars. So also a sum of Rs. 175 was charged for use, wear and tear of tools, plants, etc., but no basis of calculation of the sum nor sanction therefor was quoted on the bill. The Deparment has replied that the attempts are being made to trace the papers to obtain details to answer the audit reference.

M.C.A. 4167/I — 12-2-1944 and M.C.A. 12/I — 8-4-1944

Audit reference was made to the Municipal Commissioner in connection with the grant of permission to the City Engineer, Mr. Modak, to take up outside work with remuneration involving a breach of the conditions of the appointment as per the provisions of Section 74 of the Municipal Act. As no reply was received for over a year, the matter has been reported to the Standing Committee and the Corporation. (Standing Committee Resolution No. 987 dated the 25th September 1946.)

M.C.A. 962/I — 24-9-1945

A sum of Rs. 14,690-12-0 on account of unpaid bills for 1944-45 in respect of establishment, labour, material, repairs to machinery, etc., was debited to the grants for the Municipal Printing Press of that year, and held under Deposit Account for payment during next year adopting an unusual procedure in the Municipal Accounts, as mentioned in the last year's audit report. The Chief Accountant explains that the accounts of the Municipal Printing Press are to be maintained on the line of commercial concerns as approved by the Standing Committee under their Resolution No. 975, dated the 1st November 1939 and therefore all outstanding liabilities at the close of the year are charged against the grants for the same year to show the correct results of the working of the Press for the year.

M.C.A. 1615 I
22-7-1946

It was suggested to the Municipal Commissioner to consider the necessity of increasing the present rate of 8½ per cent., of the contribution to provident fund by municipal servants in foreign service to meet the additional liability on account of special municipal contribution sanctioned by the Corporation under their Resolution No. 208, dated the 3rd July 1945. The contribution has since been increased to 12½ per cent. (Corporation Resolution No. 151, dated the 5th May 1947).

M.C.A. 2112 I
3-1-1947

Personal allowance of Rs. 4 payable to peons under Standing Committee Resolution No. 146, dated the 1st May 1946 which was treated as substantive pay for calculating leave salary under Rule 12 of the Revised Leave Rules was found to have been added to the average pay calculated on the substantive pay of the post only. The Chief Accountant when asked to send papers containing orders for the above change, stated that the said allowance being personal one the same is allowed to be drawn in full while on leave.

It has been pointed out to the Municipal Commissioner that the allowance to peons is not on account of personal qualifications, but is payable to them by reason of their substantive position in the cadre of peons and as such for all practical purposes, it can be included in the substantive pay under Rule 8(18) of the Service Regulations for calculating leave salary under Rule 12 of the Revised Leave Rules for new entrants.

M.C.A. 670 I
31-8-1945

Recoveries made on account of loss of Public Library Books were found credited to the budget grant for purchase of books. As this had the effect of inflating the grant it was suggested as mentioned in the last year's report to credit the recoveries under a separate head on the receipt side. Reply is not still received.

M.C.A. 770 I
6-6-945

Certain articles required for maintenance work were found as reported in the previous year's report, to have been included in the Schedules of the Controller of Stores and of the City Engineer. The rates of the Controller of Stores were found to be lower. It was, therefore, suggested that the City Engineer should put up indents to the Controller of Stores and that in future such articles should not be included in the City Engineer's Schedule. Reply is not yet received.

M.C.A. 1261
6-2-1946

Payment of House Rent Allowance of Rs. 6 per month to certain peons occupying rooms in Pedder Market Chawl and recovery of rent at Rs. 4 or Rs. 5 per month only from them was objected in audit, under the rule of propriety in expenditure as mentioned in the previous year's report and the Municipal Commissioner was requested to do the needful in the matter. Reply is not still received.

(4) *Internal Check.*

M.C.A. 64 I
12-5-1944

Audit reference made in 1944 in respect of a Chaviwalla who was charged in the pay-bills from March to May 1943 though he was on leave without pay has been replied to after three years to the effect that it was not possible to explain the discrepancy as the clerk who prepared the pay-sheet was on long leave and that the charges were not paid to the employee as he was marked "Not to pay."

M.C.A. 650 I
4-4-1945

Excess deductions towards non-contributory provident fund to the extent of Rs. 6-3-0 and Rs. 2-12-0 were found being made from month to month from salaries of two employees of the Health Department, as mentioned in the last year's audit report. Explanation of the Department is not yet received.

A list of all the Municipal Offices or Branches with their locations showing persons working thereat

A.E. 675
31-7-1941

by their designations who are required to handle cash, stores or account books, ordered to

E.H. 1545
14-11-1939

be prepared by the Municipal Commissioner at the instance of Audit some years back and

S.R. 4-5)
8-10-1941 &
M.C.A. 1345 I
27-3-1946

mentioned in the last year's audit report is still not ready.

M.C.A. 728/I
6-8-945

The final provident fund claim of an employee with a service of six years and thirteen days was passed for payment by the Chief Accountant's Department. The period of leave without pay, shown in the claim papers appeared to be incorrect on comparing with the record of provident fund accounts. Further scrutiny of the leave account with paysheets showed that the correct period of leave without pay from total service should be 1 year, 2 months and 10 days. Thus the effective period of service came to less than 5 years and the municipal contribution of Rs. 121-1-0 was disallowed. This shows that the Departments are not careful in maintaining leave accounts.

M.C.A. 2163 I
23-12-1946

Names of substitutes engaged in place of permanent labourers in the Victoria Gardens Labour Paysheet were not shown below the names of the persons on leave but were found grouped together after the names of the permanent staff, with the result that it was not possible to know in what arrangement each of the substitute was engaged. The Department has since agreed to show the substitutes in the proper places in the paysheets.

M.C.A. 1751
27-8-1946

Two of the five inspectors of the Architectural Branch (Construction) were found drawing the conveyance allowance at Rs. 40 per month each since March 1946 against the provision of conveyance allowance at the rate of Rs. 20 per month in the Budget for 1946-47.

It is seen from the papers forwarded by the Chief Accountant after 8 months that the conveyance allowance of the 2 out of 10 inspectors of the Inspection Section was increased from Rs. 20 to Rs. 40 per month and shown in the Establishment Schedule for 1946-47 against which one inspector was already drawing the conveyance allowance of Rs. 40 per month. The Chief Accountant has, therefore, been asked to state authority under which the two inspectors of Construction Section have been allowed to draw conveyance allowance at an increased rate of Rs. 40 per month each.

(5) *Imprest Account.*

The amount of petty cash advances with the various Municipal Departments as on 31st March 1947, was Rs. 25,5 16-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking.

(*a*) *Miscellaneous Departments.*

During the year in 34 cases surprise test-checks of the imprest accounts of various Departments were made and irregularities noticed in the accounts were communicated to the Departments through the Commissioner. Defects of common nature are summarised as under :—

(*i*) Payments made without sanctions.

(*ii*) Payments made without obtaining proper discharge of the payees.

(*iii*) Full particulars of travelling, etc., not given in respect of conveyance charges.

Some instances of typical irregularities are given below :—

M.C.A. 45[illegible]
[illegible]-12-19[illegible] (Gardens Department)
M.C.A. 1061 V
5-1-1945 (Hydraulic Engineer's Department)
M.C.A. [illegible] V
— — (Welfare Organizer's Department)
11-1-1946
M.C.A. 1599 V
— (Market Department)
11-4-1946

} Four audit references mentioned in the last audit report still remain unreplied.

Head Supervisor:—An advance of Rs. 6 given to Supervisor A Ward in August 1944 for renewal of permit to enter military area remained uncleared. The Head Supervisor explained that the amount has been lying as deposit in the office of R.A.F. Base Head Quarters for three passes issued to Municipal staff.

M.C.A. 1948 V
—
21-11-1946

Medical Superintendent, Arthur Road Hospital:—Annas three were found short in cash balance due to expenditure remaining unentered in the postage register of the Arthur Road Hospital. The Register was also found not checked by the Head Clerk regularly.

M.C.A. 1942 V
— —
2-12-1945

Executive Health Officer:—Cash in hand with the Propaganda Officer, and the Head Clerk, Municipal Milk Scheme, was found in excess by anna one and pies nine and anna one respectively. Imprest of Rs. 100 given for the Municipal Milk Scheme was far more than the requirement as the total expenditure for half year was Rs. 6-12-0 only. The excess cash was got remitted in the Municipal Treasury. The question of reducing the amount of imprest advance was under consideration.

M.C.A. 1811 V
— —
23-[illegible]-1946

Assistant Health Officer, A and B Wards:—Cash in hand was found in excess by anna one. The Assistant Health Officer was found exceeding his authority in sanctioning a conveyance voucher for Rs. 55. Needful was got done.

M.C.A. [illegible] V
—
3-10-1946

Dog Licensing Office:—There was an excess of annas four in the cash due to a mistake in totals of the Postage Register. The excess was got credited to the Municipal Treasury.

M.C.A. 2301 V
—
10-3-1947

K. E. M. Hospital:—The Postage Register of the Registration Branch was not signed by the Head Clerk. Gharry hire of Rs. 5-8-0 paid to a peon was sanctioned by the Office Superintendent, who was empowered to sanction payment upto Rs. 5 only, and return bus fares for carrying urgent letters were paid to peons.

M.C.A. 2365 V
— — —
27-[illegible]-1947

City Engineer (Works Branch):—Railway Season Ticket Register was not maintained. In two cases the deposit amount with the Railways was not recovered on the expiry of the season tickets. The conveyance charges paid to the "staff for levelling "by the Assistant Engineer (Design.) were from their places of residence to Head Office and from Head Office to Places of work and again back to Head Office and then to residence.

M.C.A. 2366 V
—
27-3-1947

Cash in hand was found in excess by Re. 0-1-3. Railway Season Ticket Register was not written upto date.

M.C.A. [illegible] V
—
5-4-1947

Assistant Health Officer, C and D Wards:—An article was purchased locally at a higher than the contract rate Many vouchers although booked were not paid for a long time.

M.C.A. 2449 V
—
16-4-1947

G. S. M. College:—Official receipts for the purchase of dogs for the Pharmacology Department were not available. A return bus fare paid to an employee of the Pathology Department was found more than the schedule charge.

M.C.A. 2451 V
—
16-4-1947

Assistant Health Officer, F and G Wards:—Cash in hand was found short by Re . 1. The Register of Railway Season Tickets was not written properly. In certain cases season tickets were shown to have been renewed a day earlier.

M.C.A. 2451 V
—
16-4-1947

Test Audit Officer (Printing).—Certain items included in the contract for stationery were purchased direct from the market and paid from imprest.

M.C.A. 1625 V
23-7-1946

Shops and Establishment Office.—In a recoupment bill the expenditure for postage was found shown more by annas four and thus the cash balance in hand was short by annas four. Entries for articles such as torches, bulbs, battery cells purchased by inspectors for indicating shop-owner were not made in the Register. The excess recoupment of annas four was paid into the Municipal Treasury.

M.C.A. 1642 V
29-7-1946

City Engineer (Central Office). Tram fare of annas two charged in excess by a peon was recovered.

M.C.A. 17__ V
9-946

Assistant Engineer (Architect). Cash balance in hand with the Head Clerk, Records, in respect of a sub-advance for stamps, etc., was found short by annas four which was immediately made good by him.

M.C.A. 79 V
3-1947

Chief Librarian.—Some books purchased for libraries out of imprest were not taken on the stock-register. In some cases no discharge for the monthly payment made for the supply of daily newspapers was obtained.

M.C.A. 2175 V
21-1-1947

Municipal Secretary.—Two bottles of camel ink were purchased locally at a higher than the contract price.

M.C.A. 1655 V
5-8-1946

Mechanical Engineer.—Four temporary advances given to employees for purchase, etc., were not cleared for a long time. Four employees were found paid excess train fare totalling annas twelve. Deposit with the Railways was shown at Rs. 5 against four running season tickets.

M.C.A. 236 V
20-2-1947

Hydraulic Engineer.—Two employees were paid excess conveyance charges amounting to Annas 3 Three other employees were paid conveyance charges twice over totalling annas 5. A catalogue purchased was not taken on the Stock Register. Two Inspectors were paid gharry hire of Rs. 3 each for attending Court although they are in receipt of conveyance allowance of Rs. 20 per month. The excess payments were got recouped to the Municipal Treasury.

M.C.A. 2038 V
19-12-1946

(6) *Miscellaneous.*

Plant and Machinery in charge of Municipal Departments.—Registers for plant and mahinery in charge of each Department as suggested by audit in 1939-40 have been introduced by all the Departments with the exception of the Test Audit Officer (Printing). This he stated is due to shortage of hands in clerical cadre. A further report in the matter is awaited.

M.C.A. 3976/V
22-10-1943

Statement of plant and machinery in charge of the Road Maintenance Section of the City Engineer's Department as on 31-3-1945, showed that out of the 10 boilers and 4 dipping pans purchased under Corporation Resolution No. 4934, dated the 18th September 1919 only 7 boilers and 3 dipping pans were accounted for. It was also explained that there were no previous records available to show how many tar boilers and of what capacity were purchased from time to time and when efforts were made to check the existing stock with the available records it was found that either the number or the capacity of the boilers differed with the result that it was not possible to stick up to the previous records. A fresh list was therefore prepared by collecting all the existing machinery and fixing their capacities by actual measurements. The fresh lists prepared were therefore taken as final and the registers have been accordingly maintained.

A.E. 811
18-3-1947

For these very reasons, the necessity of maintaining departmental registers for plant and machinery and periodical verification thereof by the Test Audit Officer was being pressed on the Departments by Audit since 1939-40.

Verification certificates of plant and machinery.—Statements showing plant and machinery in charge of different departments with the certificates of their existence and verification by the Test Audit Officer as on 31-3-1947 have not been produced to audit till the date of submission of the audit report. Therefore the figures on account of plant and machinery shown as assets in the Municipal Accounts cannot be vouchsafed. Review of the plant and machinery registers maintained in the Chief Accountant's Office shows that verification certificates from the Test Audit Officer for many items have not been received after the year 1941-42.

Enquiry was made with the City Engineer as to whether the petty works contractor who had failed to carry out the works during 1944-45 was called upon to carry out the works before they were taken up departmentally and whether in terms of the contract supervision charges and differences in rates were recovered from him as mentioned in the last year's audit report. He replied that the contractor's deposit of Rs. 7,000 was forfeited (Standing Committee Resolution No. 1007, dated the 27th October 1944) and therefore the question of carrying out the work at his risk and cost did not arise.

M.C.A. 630 I
19-3-1945

Scrutiny of the outstanding advances as on 31st March 1946 showed that (1) a sum of Rs. 30 advanced for training municipal staff in the first aid to a municipal doctor remained unaccounted for even though the doctor had retired, (2) a petrol bill amounting to Rs. 38-11-6 remained to be recovered from an ex-municipal employee and (3) a sum of Rs. 68-12-0 remained to be adjusted although accounts head for " Measures for Civil Defence " had been cleared, and (4) stock registers for examination books, etc., were not reconciled with the advance registers at the end of the year.

M.C.A. 2045/I
17-12-1946

The Chief Accountant's reply is awaited.

M.C.A. 1779/I
21-10-1946

Recovery of rent of the 300 tenements constructed at Arthur Road and 100 one-room tenements at Vadala out of the Citizens' Emergency Fund on the grounds belonging to the Corporation is being made by the municipal staff paid from Municipal Revenue while the rent recovered is being credited to deposit account.

The Chief Accountant has, therefore, been asked to state as to what ground rent is being charged for the tenements as also what charges on account of sanitation, supervision, etc., are being recouped to Municipal Fund from the rents realised.

Reply is awaited.

M.C.A. 1398/I
11-4-1946

Details of deposits received in connection with the Government Subsidized Milk Scheme were not found entered in the day books, contrary to the established practice. It was suggested to the Chief Accountant that orders to effect changes in the established practice should be forwarded to audit for information which has been agreed to by the Chief Accountant.

M.C.A. 146/I
12-6-1944 &
M.C.A. 1869 I
24-7-1945

Review of registers maintained in the Chief Accountants's Office to watch acknowledgements for moneys sent with letters for the years 1943-44 and 1944-45 showed that in several cases parties' receipts were not received. The Chief Accountant explained that owing to war conditions the receipts for remittance to foreign countries were not insisted upon as no complaints from the parties for non-receipt of payment had been received. As for inland remittances were concerned he stated that the same were sent by money orders.

M.C.A. 1 1 I
14-8-1946

A further list of 97 cases in which acknowledgements were not received upto August 1946f or remittances made during 1945-46 has been forwarded to the Chief Accoutant for remarks.

M.C.A. 1 75/V
5 3 1946

A number of entries in the Register for having sent by post, railway receipts for parcels to outside parties, without corresponding entries for payment of freight charges as also for receipts on account of sale price of plants, seeds, etc., and for the packing material used for them, aroused suspicion of the transaction and the examination of the office and the railway records revealed that 112 baskets were sent under 24 freight receipts to three parties during rainy season of 1944, without money recovery for sale price of plants and packing materials being credited to Municipal Account. No account was kept of the plants sold on exchange system to the Empress Botanical Gardens, Poona, The transactions appeared nothing short of misappropriation of Municipal property or money and therefore, the papers were sent to the Municipal Commissioner on 5-3-1946. As nothing was heard for over six months from the Municipal Commissioner the matter was reported to the Standing Committee on 25-9-1946 (Standing Committee Resolution 1079, dated the 9th October 1946).

The Commissioner in his report, dated the 5th June 1947, to the Standing Committee admitted that there was absolute lack of maintaining proper accounts at the Victoria Gardens due to the negligence and incompetence of the persons concerned but still held that as there was no record of plants having been sold in the books, the plants were merely packed for the outside parties and that the orders were issued to discontinue the practice of exchange system and also for packing for outside parties plants not purchased from the Victoria Gardens. Lastly he observed that it was too late for a detailed enquiry into the matter as the two chief persons concerned were no more at the Victoria Gardens—one left the service in 1946 and the other was transferred to other department. A post of a Head Clerk for keeping accounts was created and the accounts were being audited by the Revenue Audit Staff under the Chief Accountant. The Municipal Commissioner's report has been recorded (Corporation Resolution No. 431, dated the 7th July 1947).

The Municipal Commissioner's report does not explain about the difference in the recovery for packing material used as also about the statement of the Senior Overseer that some plants were sold to the party concerned in the case and on the causes of delay in undertaking the required enquiry in the matter.

Outstanding Objections.

Out of the 78 objections pertaining to years prior to 1945-46 only 8 objections were settled, during the year under report. In addition 26 objections of the year 1945-46 still remain to be settled, bringing the total number of unsettled objections for the previous years to 46. The nature of these objections has already been summarised in the reports of the respective years. The Departments will clear these objections early, a list of which is available in this office for reference.

Outside Audit Section.

Under the Standing Committee Resolution No. 538, dated the 3rd July1946, posts of 2 Audit Superintendents, 2 Junior Auditors, 2 Clerks and 1 Peon were sanctioned on a temporary basis upto the end of the financial year 1946-47. Appointments to the posts were made by the Standing Committee under their Resolution No. 919, dated the 11th September 1946, and the Section commenced working by the last week of September 1946. Detailed report on the working of the Section as required was submitted under No. M.C.A. 2229 I of 13-2-1947 and the Standing Committee under their Resolution No. 2021, dated the 21st February 1947, sanctioned the continuance of the staff on a permanent basis.

On the work done by this Section the following reports have been submitted :—

(1) M.C.A. 2229'I of 13-2-1947, Report on the working of the B and C, D, F and G Wards of the Works Branch and Cadell Road Chowkey of the Construction Branch, *vide* Standing Committee Resolution No. 2021, dated the 21st February 1947.

(2) M.C.A. 2375 O.A. of 29-3-1947, Report on the working of the Sewri Crushers sent to the Municipal Commissioner.

(3) M.C.A. 2229'I, of 3-4-1947, Report on the working of the Wadala Chowkey of the Construction Branch *vide* Standing Committee Resolution No. 112, dated the 16th April 1947.

(4) M.C.A. 2229'I of 8-5-1947, Report on the working of the Grant Road and Matunga Chowkies of the Construction Branch, *vide* Standing Committee Resolution No. 302, dated the 19th May 1947.

(5) M.C.A. 3206/A of 24-7-1947, Report on the working of the Asphalt Plant and the Worli Crushers, *vide* Standing Committee Resolution No. 782, dated the 13th August 1947.

No reply has so far been received to any of the above reports.

It may be observed that the above reports generally revealed that the initial records in the Ward Offices of the Departments were maintained in an unsatisfactory and unreliable condition, involving various types of irregularities, ranging from clerical errors to Manipulation of accounts. No regular records and satisfactory accounts were maintained by the Ward Offices for the expenditure incurred by them. The systems of keeping the accounts differed in each ward even though the forms prescribed were almost the same. Accounts of normal works were not maintained and as a result of this many omissions to charge the jobs with the cost incurred or fictitious transfers made from one job to another rendered the final accounts submitted to the Corporation unreliable and misleading.

Government Subsidised Milk Scheme.

A list of employees working under the Executive Health Officer who had to furnish security for handling

M.C.A. 55 I
2-19
M.C.A. 81 I

stores, cash, etc., called for in 1945-46 has not been received.

The Department was asked, as pointed out in 1945-46, to state as to why no recovery on account of

M.C.A. 361 I
24-9-1945

sample bottles, not returned by contractors had been made from the Contractor's bills for the month of July 1945. Reply is not received.

A sum of Rs. 2-11-0 covering 7 cases of short payments, reported during 1945-46 has been recovered.

M.C.A. 1319 I
13-3-1945

M.C.A. 1143 I
18-12-1945
and
M.C.A. 1199 I
18-1-1946

Replies in remaining six cases are awaited.

A salesman of Centre B/7 was found guilty of regularly giving some milk more daily to a certain card-

M.C.A. 867/I
24-7-1945

holder, along with his due quota of milk on card and recovering once a week the cost of the excess milk so given at annas six per seer. He was caught red-handed while receiving money for a week from the said card-holder and was fined Rs. 10 and dismissed from Milk service in June 1945.

Against 44½ seers of milk accounted as waste by the Manager of B/24, as reported in 1945-46, the

M.C.A. 1164 I
2-1-1946

Department replied that a deduction for 45 seers of milk was made from the Contractor's bill.

A supervisor and 2 Managers were ordered to make good, cash collections of days not paid in time into

M.C.A. 1189 I
15-1-1946

the Municipal Treasury amounting to Rs. 249, in equal proportion and they were relieved of their duties under the Milk Scheme.

From the papers received regarding 46½ seers of milk sold at reduced rate and 56¾ seers of milk given

M.C.A. 1288 I
19-2-1946
and
M.C.A. 1319 I
13-3-1946

free to the public as reported last year, it appears that there was a drop in card-holders owing to non-renewal of cards and for want of certainty about regular supply of Anand Milk it was hazardous to replace local milk, and Anand Milk received was in addition to daily quota. The milk was received at the centres very late and by that time most of the card-holders had left the centres. For these reasons the milk had to be disposed of as stated above with the Municipal Commissioner's approval.

(1) In 9 cases a sum of Rs. 105-10-6 paid to milk contractors in excess of their dues was recovered through

M.C.A. 1483/I
20-5-1946

their subsequent bills, A reply in 3 cases involving Rs. 10-2-6 is awaited.

(2) In 8 cases the parties did not give discharge for the full amount of the bills. The proper discharge has since been obtained in 7 cases and reply to one case is awaited.

(3) The claims in 10 cases were found submitted for payment late by 9 to 12 months after they had become due. The delay it is explained was due to obtaining the Municipal Commissioner's decision as to the quality of milk to be paid for on account of contractors' complaints against milk samples taken by the staff.

A contractor had supplied and was paid for excess over contracted quantity of milk. The payment of

M.C.A. 2-71 I
25-2-1947

Rs. 8-12-0 made for the excess quantity received was, however, recovered from the contractor's subsequent bill.

Instances were pointed out where the contractors' bills were paid without making deductions for supplies

M.C.A. 1663/I
14-8-1946

with deficiency of required fat percentages. The Department explained that in one case

M.C.A. 205 I
19-12-1946
and
M.C.A. 2141/I
10-1-1947

sample of milk though found non-genuine on test was not taken in the presence of contractor's representative and no penalty could be imposed. In another case the highest penalty was imposed of two samples taken on the same day.

M.C.A. 2318/I
14-3-1947

A collection clerk of the Chief Accountant's Office had paid annas four less due to mistake in the total of D Ward collections on 14-2-1947. The same was made good.

M.C.A. 2355/I
26-3-1947

Collection of a certain centre in D Ward was wrongly credited on 28-12-1946 to another centre and the amount so credited was also incorrect. Reply is awaited.

M.C.A. 1373/I
6-4-1946; etc.

Remittance slips revealed the errors of the following nature which were reported to the Department.

(1) 214 Cases of short payments aggregating to Rs. 161-13-9. Rs. 65-13-0 have been recovered and replies in 10 cases are awaited.
(2) 124 Cases of delayed payments.
(3) 18 Cases wherein full quantity of milk not accounted for.
(4) 139 Cases of non-use of double coated carbon.
(5) 169 Cases of non-use of official printed remittance slips.
(6) 25 Cases wherein amount in figures and words varied.
(7) Omission of quantity of milk received from other centres in certain cases.

The staff was warned for these discrepancies by the Department.

M.C.A. 2196/I
24-1-1947

Test check of original musters of out-door staff with paybills showed that an excess payment of a sum of Rs. 106-9-0 was found to have been made in about 58 cases. Out of this amount Rs. 63-12-0 have been recovered from 29 persons and replies in remaining cases are awaited.

M.C.A. 1556/I of 21-6-1946
M.C.A. 1562/I of 27-6-1946
M.C.A. 1575/I of 5-7-1946
and
M.C.A. 2022/I of 11-12-1946

The cases of excess payments as revealed on the test examination of paybills were reported to the Department. The nature of explanations given by the Department that (1) the remarks in the paybills as to the leave should be read as 'on' instead of 'from' a particular date, (2) the remarks were made against wrong persons and (3) the period of leave as mentioned therein was incorrect showed that the paybills were neither prepared or passed with the required care and responsibility.

M.C.A. 1782/I
21-10-1946

A sum of Rs. 4-13-0 was recovered from a contractor for the Manager having wrongly certified 5½ seers of milk not received at his centre.

M.C.A. 1601/I of 18-7-1946
M.C.A. 2110/I of 3-1-1947
and
M.C.A. 1985/I of 3-12-1946

Cases of short payments made to the Milk contractors were also brought to the notice of the Department.

M.C.A. 1469/I
13-5-1946

Test check of imprest account showed the following irregularities :—
(1) Undue delay in submission of bills—
(2) Full particulars as to distance and quantity of milk transferred not stated.

Necessary instructions were issued by the Department to the staff.

M.C.A. 1772/I
21-10-1946

Register of milk samples maintained by the Municipal Analyst was test examined and it was noticed that during the fortnight ended 31-5-1946—
(1) No samples were taken on 15 Morning and 33 Evening Centres, and
(2) Only one sample was taken at 41 Morning and 50 Evening Centres.

The Department explained that from 1-1-1946 the supervisors were instructed to take four samples of the milk supplied by the contractors in four or more containers and that the capacity of the Municipal Laboratory being limited, only first 120 out of average of 250 samples taken at each time were examined. Thus the Register of the Municipal Analyst did not record all the samples taken at the centres. Moreover, the staff was instructed to concentrate on taking samples of milk of those contractors only whose supply was suspected or complained to be bad.

M.C.A. 1695/I
22-8-1946
and
M.C.A. 1771/I
21-10 1946

Two cases of excess receipt of milk over scheduled quota were noticed. In one case no payment was made for excess quantity of milk received while in the other case payment was made on the recommendation of the Department. The Department explained that as a general rule no payment was to be given for excess milk. But in time of riots card-holders were allowed for their convenience to receive milk from centres where their cards were not registered. In such cases excess quantity received was allowed for payment.

Municipal Milk Scheme for Undernourished Needy Children in Municipal Schools.

M.C.A. 1159 I of 22-12-1945
and
M.C.A. 947 I of 7-9-1945

In the last annual audit report it was pointed out that the expenses on the Municipal Milk Scheme were not commensurate with the services rendered and that out of the milk received only 63 per cent. went to the needy children and the remaining 36.7 per cent was used for other than the sanctioned purpose.

The Commissioner replied that quota of milk was fixed according to number of cards of needy children registered at a particular centre and on observation of regular absentees the quota was reduced from time to time on the report of Medical Inspectors. (Corporation Resolution No. 1233, dated the 13th January 1947).

M.C.A. 951 I
12-9 1945

It was reported in 1945-46 that 4 Supervisors and workers (E Ward excepted) were paid for the full month of June 1945, whereas Marathi, Gujarati and Urdu Schools, reopened on the 5th, 11th and 18th June 1945 after summer vacation, etc.

Inspite of several reminders the audit note remains unreplied so far.

Assessment Department.

This is the main revenue earning Department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. Though improvement is noticed in the work of presentation of bills and serving of demand notices since the question of delay in recoveries was taken up by audit, yet there appears to be further scope for improvement if the subsequent legal action is expedited and the work of revaluing the owner occupied properties and open lands in the city is hastened. By expeditious legal action it is not suggested to run blind-foldedly to the Law Courts without discretion but that after expiration of a certain limited time after service of notice, all the unpaid and unrecovered (after execution of warrants) bills should be transferred for legal action after taking the necessary sanctions. As previously suggested an appointment of some responsible officer having no connection with the Department to test check periodically the valuation of the properties in the City, would also materially help in hastening the re-valuation work and consequent reduction of the cases of undervaluation.

The number of bills left outstanding in respect of property tax and wheel tax as on 31st March 1947 was 27,695 aggregating to Rs. 69,87,670-6-9 as against 20,947 aggregating to Rs. 51,45,124-15-3 in the previous year. The outstanding of Rs. 69,87,670-6-9 is inclusive of the Urban Immoveable Property Tax amounting to Rs. 14,17,232-0-9.

Filing of Suits.

Amongst the bills outstanding on 31st March 1947, about 1,600 bills were found enfaced for part-payment of water or other taxes and some of these were even enfaced for part-payments more than once. This means that some of the house-owners resort to this practice in order to delay legal action to be taken against them by the Municipality with the consequent result in accumulation of arrears. Since additional staff has been taken by the Legal Assistant's Department for the purpose of expediting legal action (*vide* Corporation Resolution No. 1216, dated the 13th March 1944) it is hoped that this number of partly paid bills will be reduced by swift legal action. In cases of such partly paid bills, the Department may as well consider the desirability of taking legal action if the bills are not fully paid within a reasonable time, say, by the time the next half-yearly bills become due for payment.

Reconciliation of Books.

The Chief Accountant and the Assessor and Collector have not submitted for audit a reconciled statement of account for the year 1946-47. In the circumstances the accounts of rates and taxes presented to audit and to the Corporation have remained unbalanced and unreconciled as heretofore and it is not possible for the Municipal Chief Auditor to vouchsafe the accuracy of the figures of collections as on the bill books of the Assessment Department and the books of the Accounts Department severally and interse.

Outstanding Bills.

Among the bills outstanding as on 31st March 1947, 1,617 bills were found partly paid in respect of Water Tax, etc., as under :—

A	Ward ..	315
B	,, ..	131
C	,, ..	83
D	,, ..	293
E	,,	102
F	,, ..	225
G	,, ..	468
	Total ..	1,617

Such part-payments of bills are not casual but appear to be a permanent procedure resorted to by some of the rate-payers for preventing action against them by cutting off their water supply or for causing delay in taking legal action against them for recovery of taxes.

Imprest Account.

M.C.A. 2310/IV
13-3-1947

(1) The requirements of certification, etc., of vouchers were not complied with.

(2) Certain payments were not posted.

(3) Particulars of journey performed were not given in several cases.

(4) Payments for conveyance for journey beyond city limits were also found made to the employees.

Necessary instructions have been issued by the Assessor and Collector . Reply to further reference is awaited.

Refunds.

M.C.A. 2336/IV
, 15 3-1947

Refund for the period from 1-10-1945 to 31-3-1946 in respect of property bearing F Ward No. 5412, was allowed when the notice of vacancy given by the party was duly received only on 24-11-1945. This refund for the period from 1-10-1945 to 23-11-1945 was not admissible under Section 176(2)(3) of the Municipal Act. The Assessor and Collector explained that the language of the party's letter dated the 1st October 1945 being not clear, a reference was made by his office to clarify this point. The party replied on 24-11-1945 that the plot continued to be vacant and taking into consideration the party's intention from general context the vacancy was registered and refund allowed from 1-10-1945.

Valuations.

M.C.A. 1131 IV — 11-2-1945

Property bearing A Ward No. 225(28).—In valuing the property no account appeared to have been taken of the " garage " though the property was described in the Tabulated Ward Report as " House with Garage." On enquiry the Assessor and Collector explained that the words " with garage " came to be mentioned in the Tabulated Ward Report through mistake. It was, however, pointed out that the description in the Inspection Book as well as the field book was " house with garage " and that the property was examined by the Ward Superintendent and the Ward Inspector prior to taking these notes. The Assessor and Collector replied that the Ward Superintendent took the details from the Ward Inspection Book where the property was described through mistake as " house with garage " and as the Ward staff copied the Tabulated Ward Report from the Superintendent's filed book the addition of the words " with garage " came to be entered in the Tabulated Ward Report.

M.C.A. 1797 IV — — 22-10-1945

Property bearing C Ward No. 3064.—From the particulars on the tabulated ward report, it appeared that rent of two rooms was taken as Rs. 42 and Rs. 12 against the bill of Rs. 64 for the former and payment of Rs. 54 for the latter. It was explained by the Department that the particulars on the tabulated ward report were not correctly copied, that the bill of Rs. 64 was made up of Rs. 42 together with the rent of a room with the same tenant on another floor, and the rent of the other room was Rs. 12 and not Rs. 54.

M.C.A. 1799 IV — 22-10-1945

Property bearing C Ward No. 5278-79 *and* 5786.—Certain rooms of the above property were not accounted for in the tabulated ward report. The Assessor and Collector's reply is awaited.

M.C.A. 1877 IV — — — 1-11-1946

Property bearing C Ward No. 7621.—The rateable value was fixed below the figure arrived at by the Superintendent after reinvestigation of a complaint. Reply is awaited.

M.C.A. 1917 IV — — — 12-11-1946

Property bearing D Ward No. 1986.—The property described as " house with shops " in the Assessment Book was though stated in the Tabulated Ward Report to be partially let as a factory, revised valuation was not given effect to since the date of change in user, *i.e.*, from 1-4-1945.

The Assessor and Collector stated that one of the shops was being used for grooving nuts and bolts with a machine for a number of years and it was somewhat loosely described as " Factory " instead of a shop, it being really a machine shop, while reporting the property on the tabulated ward report. As there was no change either in the occupation or user the question of giving effect to the revised value from a date prior to 1-4-1945 did not arise. However, necessary correction in the tabulated ward report was made by the Assessor and Collector.

M.C.A. 2003 IV — — 7-12-1946

Property bearing A Ward No. 2592.—The garages in the above property described as "house with garages" were not accounted for in the tabulated ward report. The Assessor and Collector replied that formerly the ground floor of the building was used as a garage for keeping three motor cars but now it was being used by a new tenant as a furniture workshop as well as for keeping his own car. The description of the property as " house with garages " has been continued.

M.C.A. 2029 IV — — — 13-12-1946

Properties bearing A Ward Nos. 2173 *and* 2189.—In tabulated ward report No. 102 in respect of the first property, the 5th floor was stated to consist of a passage and one room for which the estimated rent was Rs. 20 per month, while in the tabulated ward report No. 56 the property on the ground floor was stated to comprise of a Soda Water Shop and residence in passage for which the rent was stated at Rs. 7. The Audit, therefore, inquired about the area of the room and the passage in each case separately and also about the basis for the allotment of rents in the two cases. The Assessor and Collector replied that the 5th floor of property A Ward No. 2173 was not a regular floor, but a self-contained loft comprising a room admeasuring 225 sq. ft. and a passage of about 30 sq. ft. and that as the area was 1/3 of the 4th floor the rent was estimated at 1/3 of the 4th floor ; while the soda water shop mentioned in the tabulated ward report No. 56 was not a shop but an open space in the passage where soda water was sold and for which Rs. 7 per month was paid as rent.

M.C.A. 2049 IV — — — — — — — 18-12-1946

Property bearing D Ward No. 1805(1).—The garage was not accounted for in the details of the tabulated ward report of the property described as " house with residence and garage." The Assessor and Collector explained that the garage was actually used as residence by the owner's driver. It was, however, further pointed out that from the Inspection Register for the year 1943-44 and 1944-45 it appeared that the shed situated in the premises was being used as a garage.

The Assessor and Collector's further reply is awaited.

M.C.A. 2048 IV — — — — — — — 18-12-1946

Property bearing D Ward No. 2469.—The rent of the stables did not seem to have been accounted for in the details on the tabulated ward report of the property described as "house with stables". The Assessor and Collector's reply is awaited.

M.C.A. 1140 IV — — — 18-1-1946

Property bearing D Ward No. 3824.—Inquiries were made as to why no assessment was shown in the Assessment Book for the property described as " chawl." The Assessor and Collector explained that it was assessed with property bearing D Ward No. 3823(2) but the remark to that effect remained to be copied out through over sight, in the Assessment Book.

In reply to a further query as to why the above remark was not made in the Ward Inspection Register for the year 1943-44 and 1944-45 it was explained that there was no property bearing WardNo. 3824 but that was an additional Ward number assigned to the chawl assessed under No. 3823(2). However, a remark to the effect that No. 3824 was assessed with Ward No. 3823(2) remained to be copied in the Assessment Book.

Ward Inspection Registers are annually compared with the Assessment Book before starting the inspection of properties and variation, if any, noticed threon when brought to the notice of the Head Office, is given effect to in the Assessment Book.

The omission of such a remark remaining undetected since 1927 does not speak well of the departmental inspection and verification done year after year if the main register fails to show correct position for nearly 20 years.

M.C.A. 1291 IV
18-1-1946

Property bearing C Ward No. 7594-95.—In the Assessment Book no rateable value was shown against the property which was described as C. I. Shed. It was explained by the Department that the valuation was cancelled fro m 1-4-1919 on account of demolition of the shed and the land merged in property No. 7591-93 and the correction has been made in the Assessment Book.

M.C.A. 1794 IV
21-10-1946

Property bearing C Ward No. 4748 (1-3) *and* 4753-54.—The property was described as "house with shops "but the particulars given in the tabulated ward report did not differentiate rooms for shops and residence. In reply the Assessor and Collector stated that all tenements on the ground floor were let as rooms for residential purposes but some tenants used them for giving shape to household utensils of brass, copper, etc., and that, to avoid confusion the description was corrected to " house with metal workshops " in the Assessment Book and the Inspection Register.

M.C.A. 2117 IV
11-12-1946

Property bearing D Ward No. 2696.—Revised valuation was not given effect to from the date of change of occupation when a portion of the above property described as a " Motor Garage " in the Assessment Book was reported to have been turned into servants' quarters. The Assessor and Collector replied that the property represented a ground floor structure consisting of 3 garages and 4 rooms and there was no change since its construction and the description of the property remained the same in the Assessment Book. With a view to correcting the description it was shown in the tabulated ward report as " motor garages and servants' quarters "and as there was no change in the occupation the question of revising the valuation did not arise. However, the description of the property in the Assessmen t Book was corrected.

M.C.A. 2119 IV
11-12-1946

Property bearing D Ward No. 3798(1).—The property described as " house with shops " was let as factories. Audit, therefore, enquired as to why revised valuation was not given effect to from the date of change in user.

The Assessor and Collector replied that the factories were in existence for a long time and the change in user did not occur in the year in which rise in rent was reported. The valuation was not, therefore, revised earlier. He further stated that the property was inadvertently described as " house with shops." The Assessment Book was duly corrected.

M.C.A. 2146/IV
13-1-1947

Property bearing G Ward No. 4740(1-2).—Stables did not appear to have been accounted for in the tabulated ward report of the property described as " house with two out-houses and stables." The Assessor and Collector replied that the ' so called ' stables had been accounted for as garages which were formerly used as stables. The description of the property has since been corrected in the Assessment Book.

M.C.A. 1834/IV
29-10-1946

Property bearing C Ward No. 6612.—The Assessor and Collector was asked as to what action he proposed to take to revise the rateable value of the property in view of the Deputy Municipal Commissioner's remarks to the effect that rates of the 2nd and 3rd floor should have been higher than the first. The Assessor and Collector replied that the whole building except the 1st floor had been occupied by the owner and gave a rate of Rs. 5-2-0 as against a rate of Rs. 5-5-0 per brass for the 1st floor occupied by two tenants. This he held was reasonable according to the recognised principle in rating that the greater the area of occupation the lower the rate per unit of occupation. Moreover, building had no lift and according to observations from Crew that " if there is no passenger lift, the first floor has the highest value, each floor above being about 10 per cent. less than the floor immediately below." The Assessor and Collector held that the valuation was adequate. The Deputy Municipal Commissioner, however stated that the remark of Crew would apply to houses in England where, in general, they happened to be well ventilated and well lighted. In some cities, due to congestion if the 1st floor was dark and the 2nd and 3rd floors more lighted then 2nd might fetch a higher value. He further held that because one person occupied the 2nd and 3rd floors together it did not follow that the rate of the 2nd should be lower than that of the 1st floor and that each case had to be judged on individual merit.

The Deputy Municipal Commissioner after visiting the place with the Assessor and Collector considered the revised value as reasonable.

M.C.A. 1835/IV
29-10-1946

Property bearing C Ward No. 2032.—A vegetable stall let for Rs. 6 was not taken into account in fixing the rateable value of the property on complaint. Similarly, the rent of a room was estimated at Rs. 30 per month by the Investigating Officer while the Superintendent had taken it at stated rent of Rs. 40 per month. The Assessor and Collector's reply is awaited.

M.C.A. 1838/IV
29-10-1946

Property bearing C Ward No. 3798-99.—The rent of two galas on the second floor of the above property occupied by the owner and partly used for business purposes was taken at Rs. 50 as against a rent of Rs. 30 charged for a 3rd gala on the same floor, even though the former were better lighted and well ventilated. It was explained by the Assessor and Collector that the property consisted of a ground and two upper floors, there being 3 galas on the first and 3 on the second floor, all equal in area. The galas on the first floor just below the owner's portion were let at Rs. 31-4-0: as against Rs. 40, taken for the portion occupied by the owner at the time of the investigation of the complaint, which was shown at Rs. 50 in the tabulated ward report. It was further stated that this portion was not used for business purposes but only as a residence. The other gala on the 1st floor was let at Rs. 16-8-0 as against an exhorbitant rent of Rs. 30 for the gala above it, charged to a new tenant, which could not be taken as the criterion as against other evidence of letting in the same building.

Property bearing C Ward No. 858-59. The total rent estimated by the Ward Superintendent was
M.C.A. 1839 IV Rs. 1,196-13-0 as against Rs. 1,137-0-0 at which the property stood assessed. Inquiries
29-10-1946 were made as to whether a further revision was proposed. The Assessor and Collector explained that taking into consideration the total deduction of Rs. 45 required to be made from the above rent for electric energy, salary of the pump attendant and Rs. 10 wrongly calculated by the Ward Superintendent there would be an increase of 1 per cent. over the original valuation. The minimum increase for reporting such properties on rise being 3 per cent. further revision was not conteplmated.

Property bearing C Ward No. 5177.—All the shops on the ground floor of the property were sub-let at
M.C.A. 1842/IV Rs. 635 but for valuation prurposes their rent was taken at Rs. 535. Reply is awaited.
29-10-1946

Property bearing D Ward No. 2518(2A).—As per the Ward Superintendent's report of 22-8-1945 a
M.C.A. 1917 IV Dhobighat was being used by 38 Dhobies. Audit, therefore, enquired as to why valuation
14-11-1946 was not revised from that date. It was explained that there was no addition to the already existing stones nor was there any change in the mode of occupation. It was purely a case of rise in rent due to increased number of persons using the Dhobighat and as such the valuation was revised from 1-4-1946.

Property bearing A Ward No. 1933(1).—Audit enquired why no proportionate increase in the rent had
M.C.A. 1918 IV been estimated for the floor in the owner's occupation along with the increase in rent of the
14-11-1946 floors let out to tenants. The Assessor and Collector explained that the rateble value of the property stood at Rs. 9,100 from 1937-38 to 31-3-1946 and that the proposed increase was objected to by the owner as a result of which the Deputy Municipal Commissioner (Improvements) fixed the rateable value at Rs. 9,225. It was also pointed out that in calculating the rateable value the rent of 1st, 2nd and 3rd floors let for residential purposes was not increased at all since 1937-38, but that there was a slight increase of Rs. 3-8-0 on the ground floor on account of which it had been proposed to increase the estimated rent of the 4th and 5th floors occupied by the owner. The party, however, complained against the increase and the Deputy Municipal Commissioner (Improvements) finally fixed Rs. 265 for the portion.

Properties bearing D Ward Nos. 3814(3-4), 945, 3170(2B) and 3170(3), *etc.*—The valuations of the above
M.C.A. 1959/IV properties being inadequate were reported in May 1945 for revision with effect from 1-4-1946
25-11-1946 instead of from 1-4-1945 on lines of a similar property D Ward No. 2947(1A and B). The Assessor and Collector explained that three out of the above four properties were vacant lands and the fourth was a garden ; that there was no structural alteration or change in user and so there was no justification for revising their rateable value and the effect was rightly given from the next official year as cases of rise in rents ; that there was change in user in property D Ward No. 2947(1A and B) and the value was therefore revised correctly from 1-4-1945.

A list of similar cases of vacant lands with different treatments in fixing the dates of revised valuations was forwarded to the Assessor and Collector and also a case (property beaing D Ward No. 3387(c) a portion of which was let during the currency of the year) was referred to him in which revised valuation was given effect to from the subsequent year contrary to the principle stated by the Assessor and Collector in the above case D Ward No. 2947(1A and B). It was further remarked that no principle or uniformity in practice appeared to have been followed by the Department in fixing the dates of revision of valuations in cases other than of pure structural additions and alterations. It was, therefore, susggested to the Commissioner whether some quantum or percentage basis of increase should not be fixed above which all cases of rise in valuations should be made effective during the currency of the year.

Property bearing D Ward No. 1336(2). The property consisted of a ground floor and two upper floors.
M.C.A. 2020/IV Lower rent was taken in the case of the 2nd floor than for the 1st one and lowest for the
11-12-1946 ground floor though used as godowns. The Assessor and Collector explained that the ground floor was smaller than the 1st floor as there was a porch used as a passage. The rooms on the 1st floor were let as offices, while 4 out of 5 rooms on the 2nd floor were used for residential purposes.

Property bearing C Ward Nos. 4787 *and* 4665-67.—In calculating the total rent of Rs. 135 in respect of
M.C.A. 1798 IV the property for the ground floor, a concessional rent of Rs. 20 only was taken for the Printing
17-1-1947 Press worked by the owner's cousin although half of its area on the same floor was let to a ration shop at Rs. 16 per month. The Assessor and Collector explained that the ration shop, no doubt, showed higher rate than that taken for the Printing Press but it was a new letting which could not be taken as a criterion for fixing rents of old tenants. The Printing Press gave a rate of Rs. 18 per 100 square feet which could not be considrered low, for the locality.

Property bearing E Ward No. 7489(1*D*).—The proposal to revise the valuation of the property
M.C.A. 1826/IV was cancelled with the remark that a fresh proposal would be submitted later on. As
11-1-1947 however, no fresh proposal was made, the Assessor and Collector was asked to state why the valuation was not revised. In reply it was stated that the valuation of the property was considered to be fair on reinspection. It was, however, pointed out that the revised rateable value would work out to more than 10 per cent. of the original rateable value as the taxes are paid by the tenant. The Assessor and Collector therefore reported the property on the tabulated ward report as a case of revision and the valuation was revised from Rs. 785 to Rs. 1,070 with effect from 1-4-1947.

Property bearing D Ward No. 3654(5A).—While revising the rateable value of the property described
M.C.A. 2227 IV as "shed" with effect from 1-4-1946, on account of subletting a portion of the same, the
13-2-1947 estimated rent of 3 5th portion was adopted at Rs. 50 as against the stated rent of Rs. 75 for the remaining 2 5th portion.

The Assessor and Collector stated that the whole property was let for Rs. 80 and the tenant had sub-let (2 5th) thereof for Rs. 75 and explained that the rent for the sub-let front-portion and the portion kept by the principal tenant in the rear could not be the same. The rateable value of the property was hence arrived at by taking into consideration the rent paid by the sub-tenant (Rs. 75) *plus* the proportionate rent of Rs. 50 for the portion occupied by the main tenant.

Property bearing D Ward No. 4772.—The rent of the 3rd floor of the property was adopted at Rs. 66 per month as against Rs. 73 adopted for the 2nd and the 4th floor each. The Assessor and Collector explained that the collective rent from several tenants on a floor is always more than the rent if it were rented to one or two tenants only. In the case under reference the 3rd floor was let to two tenants only while the 2nd and 4th floors were let to 3 and 4 tenants respectively.

M.C.A. 2323 IV
14-3-1947

Property bearing E Ward No. 7271(1)(2).—The rent of 1 gala of the property was taken for valuation purposes at Rs. 625 while that of another gala having more than half the area of the above gala was taken at Rs. 200 only. The Assessor and Collector replied that the godown let at a higher rent was used for storing cotton-waste and it being a higly inflammable material carried a higher rate of insurance premium than the other godown which was used for storing machinery The godowns moreover were occupied by outsiders and there was no element of concession whatsoever.

M.C.A. 2335 IV
15-3-1947

Property bearing D Ward No. 3835(9A).- The property described as "land" formed an amenity to property No. 3335(9) without any increase in the valuation thereof. The Assessor and Collector explained that the former property which was an unauthorised temporary shed was demolished at the instance of the Health Department. As the site of the demolished shed had not in any way tended to appreciate the value of the latter property, it was not proposed to revise the same.

M.C.A. 2185 IV
28-12-1945

Property bearing E Ward No. 7437(3-4) *and* 7438(1-2-2A).—The area taken for assessment purposes on complaint was stated to be 68,783 square feet, as against 70,783 square feet, mentioned in the tabulated ward report. The Assessor and Collector's reply is awaited.

M.C.A. 1568/IV
27-6-1946

Properties bearing E Ward Nos. 4854 *and* 4855(1).—Tabulated ward reports for increase in valuations from 1945-46 were cancelled. The Assessor and Collector replied that the rateablve value of the properties in question was a subject matter of dispute in the year 1945-46 and the dispute being taken to Court under Section 219 of the Municipal Act, the Court fixed the value at Rs. 1,080 for each of the properties which was a dhobighat. The Officiating Superintendent being unaware of this decision proposed a revision of the values. The tabulated ward reports had, therefore, to be cancelled.

M.C.A. 1609 IV
22-7-1946

Properties bearing E Ward Nos. 7971(1)(1A)(2)(4)(5)(6), 7972(1)(2), 7981-82-84 *and* 85.—Material differences in respect of the properties were noticed in the volumes of oil tanks and area of storage land stated on the tabulatetd ward report and those shown on the complaint case. The Assessor and Collector explained that the oil tanks were assessed on the actually operated capacity instead of their full storage capacity, adopted in the Tabulated Ward Report, and the area of the storage land was fixed after leaving the necessary amenity area.

M.C.A. 1729/IV
10-9-1946

Property bearing E Ward No. 4767(1 *and* 3).—Against the area of 16,774.32 square feet area of 15,549 square feet only was taken for valuation purposes on complaint. The Assessor and Collector explained that verandahs and gallaries are taken at half the rate or their area is halved and full rate is applied. The area of verandah in this case being 2,450 square feet, half of it at full rate was taken into calculation and the assessment was therefore correct. The area of the verandahs was not given in the tabulated ward report or the complaint case and therefore the Assessor and Collector has been requested to issue instructions to the staff for giving necessary details of area of each portion of the property as area is the main factor in determining valuation in such cases.

M.C.A. 1558 IV
21-6-1946
and
M.C.A. 1309/IV
23-10-1946

Property bearing C Ward No. 1824.—Exemption of Rs. 95 out of the estimated rent of Rs. 145 was granted in respect of one hall of the property which was not exclusively used for charitable purposes, as requrired by Section 143(1)(*a*) of the Municpal Act. The Assessor and Collector replied that the hall was used for holding meetings and carrying activities of a charitable institution and as such a portion of the hall was eligible for exemption from general tax.

M.C.A. 1359 IV
30-10-1946

It was, however, further pointed out that occasional holding of meetings and carrying out activities, did not make occupation exclusive for the charitable institution and as such the grant of exemption appeared to have not been covered by the provisions of the Act.

The Assessor and Collector's further reply is awaited.

Property bearing A Ward No. 3270(3).—The property being occupied mostly by shops and offices it was presumed that the Bhatt occupying the passage free of rent for serving tea to the staff would be doing good business. A reference was, therefore, made to the Assessor and Collector as to why no rent was taken for the portion occupied by him. It was stated that the Bhatt was occupying a portion of the passage free of rent to serve tea to the staff of The General Assurance Company, so that the latter might not have to go out for it. Further he was not in exclusive occupation of the space and therefore it was not rateable.

M.C.A. 1922/IV
15-10-1946

Property bearing D Ward No. 2695 *and* 2698.—The property was described as "shops and garages" but the rent of shops was not accounted for and the workshop situated at property No. 2697 was stated to have been shifted to property No. 2695 and 2698 prior to 1-4-1945, but it was not shown in the latter property and revised valuation was not given effect to from the date of change in user. The Assessor and Collector explained that one of the shops situated in property No. 2695-2698 was used as a mechanic shop for a number of years. The shop when vacated was occupied by another person and used for the manufacture of silver thread with the help of a machine shifted from property No. 2697. Thus there was no change in user and hence the question of revised valuation did not arise.

M.C.A. 2018 IV
11-12-1946

Property bearing D Ward No. 3196(1E).—In reply to an audit query as to whether the valuation of the property was suitably revised after conversion into amenity garden of land under the adjacent demolished properties, the Assessor and Collector explained that the garden was not separately assessed as its value was reflected in the rents of the building.

M.C.A. 2050/IV
18-12-1946

It was further pointed out that the property would undoubtedly fetch increased rent on account of the additional amenity of a garden and as such the raeteable value of the property could have been revised.

The Assessor and Collector's reply is awaited.

Property bearing D Ward No. 1979(2).—The property described as "house with garage" was let as a carpentry shop. To a query as to why the valuation was not revised from the date of change in user, the Assessor and Collector replied that the carpentry shop had been there since long and change in user did not occur. He also did not consider it necessary to change the description in the Assessment Book as it records only stuctural description of the property.

M.C.A. 2054/IV
18-12-1946

Property bearing D Ward No. 3656(*2A-2B*).—The property consisting of one shed was described in the Tabulated Ward Report as consisting of two sheds. Inquiry was, therefore, made since when the second shed was erected and why revised valuation was not given effect to from the date of change in user as a portion of the shed was described as a factory. The Assessor and Collector explained that the property represented only one shed with only two different roof levels and as the litho-press and soap-factory were there for a long time there was no change in user. Inspection Register for 1943-44 showed that there was no soap-factory on the premises and therefore the Assessor and Collector was asked since when the factory was started and why it was not charged water by meter. He explained that though the Word "Factory" occurred in the tabulated ward report there were no utencils, materials or implements and no manufacturing was done and therefore the question of charging water by meter does not arise.

M.C.A. 2036/IV
23-12-1946

Property bearing F Ward No. 3347(8).—The valuation of the property consisting of vacant land was fixed on the area of 850 sq. yds. on the basis of 6 per cent. return as against correct area of 889 sq. yds. ascertained by joint survey.

M.C.A. 2105/IV
2-1-1947

The Assessor and Collector replied that the rateable value on the basis of 5 per cent. return on the premium for 889 sq. yds. paid by the party would work out to Rs. 470 *i.e.*, to a figure less than the fixed value of Rs. 515 and as such further consideration of the case was not necessary.

It was, however, further pointed out that the rateable value on the basis of the adopted rate of 6 per cent. return on the capital value would come to Rs. 540 and the Municipal Commissioner's attention was *inter alia*, invited to the line of explanation adopted by the Assessor and Collector in replying to the audit note. In order to show that the rateable value would be less on the basis of the correct increased area, the Assessor and Collector based his observations on the basis of 5 per cent. instead of actually adopted 6 per cent. return, on the amount of premium (capital value less rebate), instead of actual capital value. Such method of giving replies to audit notes would not help the municipal interest. It appeared that the valuations fixed on the approximate area, in the first instance on the Municipal leased lands, did not undergo revision at the time of giving possession after ascertaining correct area by joint survey. It was, therefore, suggested that proposals, whenever necessary, may be put up by the Assessor and Collector after calling papers from the Estate Agent and Land Manager.

Further reply is awaited.

Property bearing D Ward No. 3387(*1C*).—Revised valuation was not given effect to from the date of letting the property described as land.

M.C.A. 2267/IV
21-2-1947

Assessor and Collector's reply is awaited.

Property bearing D Ward No. 2879(12).—The property described in the Assessment Book as a "C. I. Shed Motor Garage" was shown in the tabulated ward report as "workshops". A reference was, therefore, made as to why the revised valuation was not given effect to from the date of change in user. The Assessor and Collector explained that the C. I. Shed was used as a Workshop for repairing motor vehicles for a number of years and there was no change in user. He further stated that the term garage means not only a place for housing automobiles but also one where motors are repaired and housed such as "Bombay Garage", Regal Garage", "Sing Transport Garage" etc.

M.C.A. 2266/IV
24-2-1947

Property bearing E Ward No. 4912(*2*).—A piece of Municipal vacant land was let from 1st December 1945 but was assessed from 1st April 1946 on receipt of intimation on 6th April 1946 from the Estate Agent and Land Manager. It was suggested that arrangement may be made to give prompt intimation in such cases to the Assessor and Collector for saving loss in municipal revenue. The Estate Agent and Land Manager replied that provisional taxes at 40 per cent. of ground rent have been recovered by his Department and credited to "Deposit Account" which would be adjusted to revenue, on hearing from the Assessor and Collector, the assessment of the land in question.

M.C.A. 2229 IV
10-3-1947

Property bearing E Ward No. 4923.—Area of the property increased as a result of encroachment on the adjoining municipal land from 1st June 1945, but valuation was revised from 1st April 1946. In reply to a query as to why revised valuation was not given effect to from 1st June 1945 the Assessor and Collector stated that additional taxes of Rs. 31-7-0 on the difference between the original and revised values from 1st June 1945 to 31st Mach 1946 were afterwards recovered.

M.C.A. 2322 IV
14-3-1947

Water by Meter Measurement.

M.C.A. 1931 IV of 28-10-1946,
M.C.A. 2121 IV of 6-1-1947,
M.C.A. 1929 IV of 29-10-1946,
M.C.A. 2167 IV of 17-1-1947,
M.C.A. 2192 IV of 23-1-1947,
M.C.A. 2347 IV of 25-3-1947,
M.C.A. 1573 IV of 31-5-1946,
M.C.A. 1837 IV of 29-10-1946,
M.C.A. 2248 IV of 22-2-1947,
M.C.A. 2258 IV and M.C.A. 2259 IV of 24-2-1947.

Omissions and irregularities of the following nature found in the Meter Reading Registers were brought to the notice of the Department:—

(1) Figures of water consumptions not noted in the Register.

(2) Bills not issued although the figures of water consumption were filled up.

(3) Figures of total consumption shown incorrect in the Register

(4) Bills for meter hire not issued.

In most of the cases needful was got done whereas in some cases replies are awaited.

M.C.A. 1292 IV
19-2-1946

The following irregularities in respect of Meter Reading Register of A (G.P.R.) Ward for the year 1943-44 were reported to the Assessor and Collector:—

(*i*) Figures for water consumption were not furnished in two cases.

(*ii*) Bills were not issued in sixteen cases.

It was also enquired whether bills in one case were to be preferred monthly as per remarks in the register and if so why were they not so preferred.

It was explained that the charges were payable monthly as per conditions of supply but due to practical difficulties in filling consumption figures and issuing bills, it was desirable to prefer bills half-yearly.

Requirements in (*i*) and (*ii*) have since been duly complied with.

M.C.A. 1374 IV
6-4-1946

The figures for consumption of water in respect of an entry (entry No. 818) in the Meter Reading Register of D Ward for 1944-45 for the period ended 30th September 1945 appeared to have been altered after the issue of the bill and no supplementary bill was issued for the excess consumption of water recorded therein. The Hydraulic Engineer explained that the figures were altered as there was a clerical mistake in the previous figures and the Assessor and Collector remained to be informed as it was thought that the Assessor and Collector had not billed the party at the time of making the correction. The Hydraulic Engineer also issued necessary instructions to his staff to inform the Assessor and Collector in all cases of the corrections made in the figures of consumption of water.

Supplementary bill for Rs. 150 for the difference was prepared and recovered by the Assessorand Collector.

M.C.A. 1524 IV
31-5-1946
and
M.C.A. 1527/IV
3-6-1946

37 Cases, wherein bills were not issued for water consumption by meter were pointed out to the Assessor and Collector. He replied that in one case the property was liable to water tax on value and the bills in respect of the remaining cases were preferred and sent to the respective Government Officers for verification and counter signature and on their return they will be issued through the bill book as is the case with the bills payable by the Government.

M.C.A. 1618/IV
23-7-1946

The property bearing E Ward No. 7427. (13-14 to 16) was charged Rs. 524-15-0 during the year 1945-46 for water by meter measurement. As against this water tax on value on the rateable value of Rs. 15,455 would have come to Rs. 579-10-0 for the year 1945-46. To an audit query as to why water tax on value should not be charged to the property, the Assessor and Collector replied that the Hydraulic Engineer who had been referred to in the matter, had advised that the property was found to be a losing case and that it would be charged on value on receipt of the Municipal Commissioner's sanction. Subsequently however, due to increased consumption of water and the higher rate applicable, it was anticipated to be a gaining case and was therefore, continued to be charged on meter measurement.

M.C.A. 1649/IV
2 8-1946

Property bearing E Ward No. 5042(10*A*).—No water tax was levied on the above property from 1st September 1944 to 31st March 1945 on the ground that it was charged for the water supplied by meter measurement. However, the ward number did not appear in the Meter Reading Register for that period. The Assessor and Collector explained that water tax on value was levied on the property from the date of its assessment *viz.*, 1st September 1944 and the bills for the same were paid on 18th April 1946.

M.C.A. 1827/IV
29-10-1946

Property bearing E Ward Nos. 4691-93.—The property escaped water tax for about 10 years ending 31st March 1943 either by meter measurement or on valuation due to its groupings with a factory having metered connections. It was, therefore, enquired of the Departments concerned as to how it could not be detected at the time of the periodical departmental inspections of the properties and what procedure was being followed for avoiding leakage of revenue in similar cases. The Assessor and Collector stated that his staff was not in a position to inspect the water connections which involved technical knowledge and onthe ground of inadequacy of staff. The Hydraulic Engineer alsc stated that it was not possible to examine periodically every group of properties supplied water by meter measurement. The Municipal Commissioner has, therefore, allcwed the present practice of examining water connections by the Hydraulic Engineer's Department whenever a reference is made to them. Thus the effective remedy is not suggested to rectify the existing defects, if any, against escape of water tax by meter measurement in the case of properties grouped together.

M.C.A. 2062/IV
20-12-1946

The properties bearing G Ward Nos. 1899-2691 (1 *to* 5) (6).—The properties described as "Textile Printing and Engraving Works" and "Colour Factory" were charged water tax by meter measurement at As. 10 per 1,000 gallons instead of As. 14. The Assessor and Collector was, therefore, asked to issue supplementary bill for the difference. Supplymentary bill amounting to Rs. 188-8-0 has since been issued.

M.C.A. 2131/IV
8-1-1947

Properties bearing D Ward Nos. 3478(1) *and* 3287.—In reply to audit enquiries as to delay of about 3 years in metering the unmetered water connections after they were sanctioned by the Municipal Commissioner with the expectation of increased revenue to the extent of about Rs. 270 per annum, the Hydraulic Engineer explained that due to scarcity of meters they could not be provided earlier.

For relieving the scarcity it was further suggested that some meters which were considered not necessary might be removed from properties having three or more meters. The Hydraulic Engineer replied that necessary action was being taken to remove meters wherever possible. As a result, 22 meters are expected to be transferred to new properties.

Property bearing D Ward No. 3260.—In reply to audit query whether water tax on value was charged to the property on the removal of a meter on 28th January 1946 it was explained that the property was supplied water through three meters, two of which were for the Bungalow and the garden and the third for the milch cattle stable, and that one of the two meters provided for the garden and the bungalow practically did not show any consumption and as such the connection was transferred to other and the meter removed.

M.C.A. 2161 IV
17-1-1947

Property bearing F Ward No. 350(8).—The rateable value of the property was revised as it was rented to an oil mill but water tax continued to be levied on value. Audit, therefore, enquired why water was not charged by meter measurement. The Assessor and Collector replied that the mill being a small one was not metered nor was it advantageous to do so as the return on water tax on value might be better.

M.C.A. 2265 IV
24-2-1947 and 3-5-47

Property bearing D Ward No. 3798(1).—The property described as "house with factories" was charged water by meter measurement at a reduced rate of As. 12 per 1,000 gallons as it was included in the register under "Bungalows and Gardens". Reply is awaited.

M.C.A. 2339 IV
19-3-1947

Compound Water Tax.

Property bearing F Ward No. 7496(6A).—A portion of the property described as "house" was charged water tax at compounded rate. As the property did not appear to fall under the category of benevolent institutions, shown in Appendix 'A' of the water charges rules, it was enquired as to why it had been so charged. The Assessor and Collector stated that the portion charged at compounded rate was being used as a prayer hall and for holding religious discourses and ceremonies and that although prayer halls were not specifically mentioned in Appendix 'A' of the Water Charges Rules they were deemed to be covered by the expression "Places of Public Worship .." Description of the property was accordingly corrected in the compounded water tax statement.

M.C.A. 1650 IV
2-8-1946

Property bearing C Ward No. 5186.—The property described as "houss used as pujari's residence and temple" was charged compounded water tax. Audit inquired as to why the portion used as pujari's residence was not charged water tax on value. It was explained that the 1st floor perhaps might have been used as Priest's quarters in olden days but subsequently it came to be used as store room. The description however, continued as "house used as temple and pujari's residence". Necessary correction in the description of the property was made in the Assessment Book.

M.C.A. 1858/IV
30-10-1946

Halalkhore Tax.

To an audit query whether the property bearing E Ward No. 6226, which was described as a "temple with Assembly Hall", had a privy attached to it, the Assessor and Collector replied that the property had no privy accommodation of its own and according to the Municipal Commissioner's orders under No. 13545 of 17th July 1915 halalkhore tax is not levied on premises used for religious purposes provided that there are no privies and provided also that no person resides therein. Further his Department inspects all the properties in the City annually and if any change is noticed in any case necessitating levying of halalkhore tax, it is immediately reported and due action taken.

M.C.A. 1643/IV
2-8-1946

The Assessor and Collector in reply to an audit query as to why water and halalkhore taxes were not charged to property bearing F Ward No. 1228(6), stated that the land was used for storing goods and the water tax was being charged from 1st April 1946, after obtaining the Hydraulic Engineer's certificate and the halakhore tax was levied from 3rd February 1947 as per the Commissioner's instructions in the matter and to minimise delay in this respect a fresh procedure has been laid down acording to which proposals for the levy of the service taxes are to be submitted in advance on the basis of a report from Ward Inspectors, independently of the tabulated ward report proposal

M.C.A. 2104 IV
2-1-1947

Wheel Tax.

During the year nearly 737 cases were noticed as a result of test check of 25 per cent. of the entries in the wheel tax registers, wherein no bills were issued by the Department for tax on vehicles, animals, etc., Out of these, replies for 515 cases have been received upto the end of June 1947 from the Department to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City or being under repairs, etc., 222 Cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to the scarcity of paper.

Omissions to take proper notes in the registers whenever the vehicles were transferred from one place to another, give no certainty as to whether a particular vehicle (against which no remark of bill appeared) was taxed in any other ward or not. The Department was written to several times to avoid the omissions but they still continue.

Miscellaneous.

While verifying the bills with the lists of outstanding bills, defects of the following kinds were noticed :—

M.C.A. 1458 IV of 9-5-1946
M.C.A. 1459 IV of 9-5-1946
M.C.A. 1460 IV of 9-5-1946
M.C.A. 1461 IV of 9-5-1946
M.C.A. 1462 IV of 9-5-1946
AND
M.C.A. 1463 IV of 9-5-1946

(1) Duplicate bills produced for audit.

(2) Bills not produced for audit.

(3) Enfacement on the bills not authenticated by the Assessor and Collector.

(4) Bills receipted inadvertently by the Ward Inspectors.

In most of these cases the needful was got done. In some cases, the Assessor and Collector's reply is awaited.

M.C.A. 1883 IV
4-11-1946

Totals of demand and outstandings on account of notice fees were shown incorrectly at several pages of summary bill books. The Assessor and Collector replied that the notice fees, which were recovered or cancelled during the currency of the year were inadvertently shown as outsanding in the summary of 1945-46. The necessary correctionss were carried out.

M.C.A. 1915 IV
12-11-1946

Enquiries were made as to why the amounts of Rs. 697-10-0 and Rs. 50 receivd by the Assessor and Collector's Office under receipt No. 8543 of 29th March 1946 and 8544 of 29th March 1946 were accounted for on 30th March 1946 in the Day Book and remitted to the Chief Accountant on 1-4-1946. The Assessor & Collector explained that the amounts were actually received on 30-3-1946 but the date 29-3-1946 was wrongly shown on receipts due to much pressure of work in the Cash Branch; taxes collected are always accounted for the next morning but 31st March 1946 being Sunday they were remitted to Account's Department on 1st April 1946.

M.C.A. 2001 IV of 6-12-1946,
M.C.A. 2156 IV of 19-12-1946,
M.C.A. 2159 IV of 17-1-1947,
M.C.A. 1952 IV of 20-11-1946,
AND
M.C.A. 1971 IV of 28-11-946.

On test checking of Inspection Registers for the year 1945-46 it was found that the rateable values of some of the properties were not revised accrding to the standing orders. The Assessor and Collector explained that the opening values shown in the Inspection Register were the rateable values for the year 1945-46 while the new values were those marked out by Ward Inspectors. All these properties were inspected by the Supervising Officers who found that the existing rateable values were fair and reasonable and hence retained. The properties, therefore, were no reported on the tabulated ward reports.

M.C.A. 2275/IV
25-2-1947

An unsigned receipt No. 1641-541 of 21st June 1946 for Rs. 6 was referred to the Assessor and Collector who replied that the party to whom the receipt was issued, could not be traced and as such it was difficult to say whether the original delivered to the party was signed or not.

M.C.A. 1445/IV
7-5-1946

On test checking of receipt books for the three quarters ending 31st December 1945 the following discrepancies were noticed:—

(1) Receipt numbers were not posted in the Day Book.

(2) Recoveries on account of wheel tax (hand carts) were not acknowledged on the official receipts.

(3) Amounts received through post or by money order etc., were not acknowledged on official receipt forms.

(4) No separate *despatch book was maintained as per the Municipal* Commissioner's circular No. S.R. 10985 of 22nd November 1941 for the movements of cheques.

(5) No space is provided in the Bataki Receipt Forms for stating the amount in figures.

(6) No proper account of Receipt Books, Rules, and Regulations for Head Clerks' Examination and Assessment Tables was maintained.

(7) Figures were over-written in Bataki Receipts.

(8) Duplicate copy of receipt was written in copying pencil.

(9) A rupee out of the collections was found paid late by about 10 days by B Ward.

Necessary instructions have been issued by the Assessor and Collector. Reply to further reference is awaited.

In the following cases recoveries were got effected for omissions, under-charge or excess refunds:—

Serial No.	Ward.	Case No. and Date.	Particalars.	Amount of difference Rs.
1	E	M.C.A. 1291/IV 19-2-1946	... Under-charge for consumption of water in respect of the property bearing E Ward No. 6481-82(1).	284 15 0
2	E	M.C.A. 1883/IV of 4-11-1946	... Omission of notice fee for E Ward Bill Book for 1945-46 ...	0 8 0
3	E	M.C.A. 1836/IV of 14-1-1947	... Revision of assessment in respect of property bearing E Ward No. 7489 (1D) given effect to from the subsequent year.	70 10 0 (Yearly).
4	G	M.C.A. 2062/IV of 20-12-1946	... Under-charge for consumption of water in respect of property bearing G Ward Nos. 1899 and 2691 (1 to 5) (6).	188 8 0
5	F	M.C.A. 2104/IV of 2-1-1947	... Halalkhore Tax in respect of property bearing F Ward No. 1228(6).	8 10 0
6	D	M.C.A. 1374/IV of 6-4-1946	... Under-charge for consumption of water in respect of properties D Ward No. 3515(1), 3515(1A), entry No. 818 of 1944-45.	150 0 0
7	G	M.C.A. 2159/IV of 17-1-1947	... Revision of assessment in respect of property bearing G Ward No. 5022(6).	14 14 0

Miscellaneous Department.

The following Departments are in charge of the collection of miscellaneous revenue :—

(1) Municipal Commissioner's Office, (2) Town Duty Refund and Election Office, (3) Central Stores, (4) Legal Assistant's Office, (5) Municipal Secretary's Office, (6) Hydraulic Engineer's Department, (7) Victoria and Albert Museum, (8) Chief Librarian's Office, (9) Public Health Department including Analyst's Office, (10) Health Department A and B Wards Office, (11) Health Department C and D Wards Office, (12) Health, Department E Ward Office, (13) Health Department F and G Wards Office, (14) Malaria Department. (15) Arthur Road and Maratha Hospitals, (16) Vaccination Department, (17) K. E. M. Hospital and G. S. M College, (18) Nair Hospital and Topiwalla College, (19) Conservancy Department, (20) Dog Licensing Department, (21) City Engineer's Department, Central, Building and Architectural Branches, (22) City Engineer's Department, Works and Maintenance Branches, (23) Mechanical Engineer's Department, (24) Drainage, Department, (25) Fire Brigade Office, (26) License Department including Shops and Establishment Branch, (27) Gardens Department and (28) Markets and Slaughter Houses.

Revenue Returns.

The forms of the Revenue Registers of the miscellaneous Departments were revised for maintaining Accounts on the basis of demand, collections and arrears for each source of income, and for tallying these accounts with those maintained in the Accounts Department under Standing Committee Resolution No. 1534, dated the 10th February 1939.

The work of completion of the Revenue Registers and submission of quarterly revenue and deposit returns duly reconciled with the figures on the Chief Accountant's Books was very slack, and a report on the position of the returns for the years 1945-46 and 1946-47 made to the Standing Committee was forwarded to the Commissioner for remarks (Standing Committee Resolution No. 593 of 9th July 1947).

The position of returns received for audit till the time of writing the report is shown hereunder :—

Serial No.	Name of the Department.	Period upto which the quarterly revenue returns are received.	Period upto which the quarterly deposit returns are received.	Remarks.
1	Municipal Commissioner's Office	30-9-1946	31-3-1946	
2	Town Duty Office	31-12-1946	31-12-1946	
3	Election Office	31-12-1946	31-12-1946	
4	Central Stores	30-9-1946	31-12-1946	
5	Municipal Secretary's Office	30-6-1946	...	
6	Legal Assistant's Office	...(a)	...	(a) Returns for the last quarter of 1944-45 and four quarters of 1945-46 were waved as per S. C. R. No. 1891 dated 31-1-1947.
7	Hydraulic Engineer's Department	31-12-1945	31-12-1946	
8	Victoria and Albert Museum	31-12-1946	...	
9	Chief Librarian's Office	30-6-1946	30-6-1946	
10	Executive Health Office including Analyst's Office ...	30-9-1946	31-12-1946	
11	Assistant Health Officer, A. & B Wards Office	31-3-1946	30-9-1946	
12	Assistant Health Officer, C and D Wards Office	30-6-1946	30-6-1946	
13	Assistant Health Officer, E Ward Office	31-12-1946	31-12-1946	
14	Assistant Health Officer, F and G Wards Office	31-3-1946	31-3-1946	
15	Assistant Health Officer, Malaria	31-12-1946	30-6-1946	
16	Arthur Road Hospital	31-12-1946	31-3-1945	
17	Maratha Hospital	31-12-1946	31-12-1944	
18	Vaccination Department	30-9-1946	31-12-1946	
19	K. E. M. Hospital	31-3 1946	31-3-1946	
20	G. S. M. College	10-10-1946	31-12-1946	
21	Conservancy Department	31-3-1946	31-3-1946,	
22	Dog Licensing Department	31-12-1946	31-12-1946	
23	City Engineer's Buildings Branch	30-9-1945	31-12-1946	
24	City Engineer's Works Branch	31-3-1946	31-12-1946	
25	Mechanical Engineer's Office	*Nil.* (b)	31-12-1946	(b) Account Books were burnt in the fire during the R. I. N. Strike. New books were opened as from 1-3-1946.
26	Drainage Department	31-3-1946	...	
27	Fire Brigade Office	31-3-1946	31-3-4946	
28	License Department	30-9-496	31-12-1946	
29	Gardens Department	31-12-1946	30-9-1946	
30	Markets and Slaughter Houses	31-12-1946	31-3-1945	
31	Nair Hospital	*Nil.* (c)	*Nil.* (c)	(c) These Institutions were taken over from 1-11-1946.
32	Topiwalla College	*Nil.* (c)	*Nil.* (c)	
33	Municipal Printing Press	31-3-1947	...	

Many of the returns shown in the above statements were received so late that their scrutiny could not be completed in time as the audit section was not manned to its full strength during the year for non-availability of candidates. It will also be seen from the above that the work of rendering accounts by the Departments upto 31st March 1947, and that of checking and reconciling them by the Chief Accountant has remained in complete. The figures of revenue receipts published in Appendix No. 3 of the Annual Report of the Chief Accountant cannot, therefore, be vouchsafed as correct and tallied with the figures appearing in the books of the Departments for which returns upto 31st March 1947 are not received by Audit.

Departmental Registers.

Inspection of the Departmental Registers at the time of checking showed that in some departments the books were not balanced and attested in token of their virtual completion. Although, sufficient staff for complete detail checking of revenue accounts of the departments has been given to the Chief Accountant, the demand registers of some departments are not completely checked.

Income Registers Maintained by the Accounts Departments.

Several heads of accounts opened under different service heads in the Income Registers show mixed figures of collection received through different departments or different branches of a department. The figures given in the revenue returns, therefore, could only be reconciled by picking out items relating to that department and working them out separately. Mispostings and erroneous allocation located in the Income Registers at the time of reconciliation were not set right. Even the final totals were not corrected. Very often, the voucher files were not readily available and even vouchers were found missing in some files. The Chief Accountant had certified a return of the Drainage Department subject to a difference, which could not be reconciled as the required vouchers were missing (A.E. 2348 5-5-1947).

Outstanding Audit Notes.

Out of 139 outstanding audit references of the previous years and 151 notes of the current year, replies so far received are only 39 for the previous years, and 66 for the year under report. Thus, there are 185 reference out standing till the time of writing the report. A list of the 139 outstanding audit notes was sent to the Commissioner under case No. M.C.A. 1769 V of 8th October 1946 for expediting their replies. The outstanding audit notes which numbered 41 in 1940-41 have come to 185 covering a period of the last six years and it is time that the heads of departments pay early attention to clear these arrears.

Some typical instances of errors and omissions noticed in the quarterly returns are given below:—

Accounts Department.

M.C.A. 1730/V — 6-4-1946 — The reconciliation statement accompanying the revenue return of Municipal Secretary's Office for the quarter ending 30th June 1945 did not show details of write-back of Rs. 40 in respect of erroneous entries on the Chief Accountant's Books.

M.C.A. 2147/V — 14-1-1947 — The balance of Rs. 4,179-13-3 after meeting all expenses for organising the Fruit, Flower and Vegetable Show during 1945-46 was refunded to the Corporation by the Special Committee Managing the "Show". This amount was required to be credited to a separate income head," Receipts on account of Vegetable, Fruit and Flower Show", but was credited in the Chief Accountant's Revenue Tabulation to Minor Receipts of the Gardens Department. The Chief Accountant explained that as the Accounts for the year 1945-46 had already been closed, no further adjustment could be carried out, but the proceeds of the show for 1946-47 would be credited to the proper head of account.

M.C.A. 2197/V — 24-1-1947 — Rent for residences provided to Municipal employees is to be recovered at a certain percentage of their emoluments including dearness allowance as per Rule 46 of the Municipal Service Regulations. The dearness allowance of Rs. 26 or 17½ per cent., granted to the Municipal employees were not subjected to rent recovery and no orders of the Corporation were also obtained for excluding the dearness allowance from the operation of this Rule.

M.C.A. 1637/V, M.C.A. 1635/V, M.C.A. 1638/V, M.C.A. 1639/V, M.C.A. 1640/V, M.C.A. 1641/V — of 29-7-1946 — No demands for leave salary contributions were created in the Demand Registers of the Municipal Printing Press, Controller of Stores, Election and Town Duty Office Municipal Commissioner's Office, Hydraulic Engineer's Department, City Engineer's Building Branch, in respect of employees who had gone on deputation to the Auxiliary Fire Service.

Municipal Secretary's Office.

M.C.A. 1636/V — 29-7-1946 — There was an undercharge of As. 8 in a bill for the supply of 50 embossed covers The amount was recovered on 3rd August 1946.

M.C.A. 1634/V — 29-7-1946 — Some bills for the supply of stationery were found outstanding for several months.

Municipal Commissioner's Office.

M.C.A. 1720/V — 19-9-1946 — Two sums of Rs. 213-5-0 and Rs. 135-13-3, being the respective balances of the receipts, from the sale of application forms to persons appearing for examination, for selection of approved candidates for employment in the Municipal Service, for the years 1943-44 and 1944-45, which were outstanding in the Deposit Register of the Department were adjusted at the instance of audit, to Revenue.

M.C.A. 2090/V — 30-12-1946 — In a revenue return for the year 1945-46, which was verified by the Chief Accountant, the figures of demand, etc., appearing in the Demand Register in respect of Minor Receipts were not shown.

M.C.A. 1667/V — 14-8-1946 — A copy of the Report of the Special Officer (Revision of Grades) costing Rs. 9 was issued on 11th October 1945 without first recovering the cost as usual. The demand is still outstanding.

M.C.A. 1654/V — 5-8-1946 — Leave salary contributions of an officer on deputation to Government are no recovered since August 1945.

M.C.A. 1656/V — 5-8-1946 — The rent for the ground floor of *ex*-Trust Building occupied by the Municipal Printing Press was found credited to Budget 'A' instead of to Budget 'B'.

Election and Town Duty Office.

M.C.A. 1800/V
20-10-1946

No credit was given in the Departmental books in respect of a forfeited depositofRs0'.20 which was posted under a wrong head of account in the Chief Accountant's Books.

Controller of Stores.

M.C.A. 1698/V
22-8-1946

Demands in two cases, were found created in the register at the time of posting recovery by adjustments and not shown when they accrued. In one case, the sale proceeds of a municipal publication was not credited to grant as required under the Chief Accountant's circular No. A.E. 471 of 8th. January 1943. No official receipt was passed for an amount of Rs. 344-2-0 received from the Legal Assistant.

Municipal Printing Press.

M.C.A. 1668/V
14-8-1946

No official receipt was passed for an amount of Rs. 6-2-0 received on account of refund of wharfage charges.

Hydraulic Engineer's Department.

M.C.A. 2031/V
13-12-1946

Demands for cleaning dials of private meters were noted in the Miscellaneous Revenue Demand Register in different quarters of the year, instead of showing them in April, on the basis of existing meters on 1st April, as the fees were recoverable in advance, and adding fresh ones whenever new meters were fixed.

M.C.A. 1958/V
23-11-1946

There was an undercharge of Rs. 116-4-0 in the private ordinary works bill preferred against Messrs. John Fleming & Co., for hire of petrol pumps, for the work of guniting steel mains at Sleater Road. As a result of audit note the amount was recovered on 18th December 1946 from the party.

M.C.A. 2041/V
17-12-1946

The right of drawing water from Powai Lake for agricultural purposes was sold to two parties at an annual rent of Rs. 10 per acre of the area cultivated, subject to the annual rent not being less than Rs. 1,000 in one case and Rs. 500 in another. As the amounts realized during 1945-46 were on the basis of the minimum rent, the Hydraulic Engineer was requested to submit the certified area under cultivation duly verified by the Assistant Engineer Outside City.

M.C.A. 1956/V
22-11-1946

A case was noticed where an Inspector of F Ward had effected recovery of a bill without simultaneously passing a receipt to the party. It was explained that the Inspectors are not authorized to recover bills but in cases where a party fails to pay Municipal dues, the Inspector is asked to make personal efforts to effect recovery. The money recovered is immediately passed on to the Head Office to pass official receipt. Money should not be received without simultaneously passing official receipts.

M.C.A. 2035/V
16-12-1946

A sum of Rs. 110-14-0 being the supervision charges in respect of two bills of 1943-44, credited to revenue on 30th March 1946 was not taken on the Demand Register, even though the Department was intimated of it by the Chief Accountant.

M.C.A. 2000/V
6-12-1946

The Inspector of Kasheli Division had received a sum of Rs. 2-14-0 on 14th September 1945 from the Superintendent, Labour Supply Depot, Thana, as restoration charges for water connection at Wagle Estate. He returned the amount on 20th September 1945 to the Superintendent as the connection was not restored. A Municipal employee should not receive money without passing official receipt and keep back the amount with him and return it directly.

M.C.A. 2039/V
16-12-1946

The right of cutting grass from the slopes of Bhandarwada Reservoir was not shown in the Rights Register of 1945-46, and for the year 1946-47, it was remarked in the Register that the grass was burnt with the Hydraulic Engineer's sanction, as there was no bidder on the date of auction sale. On further enquiry, the Hydraulic Engineer explained that nobody attended the auction for the right of Bhandarwada Reservoir, although intimations were sent to well-known grass merchants in the City, as also efforts made to secure private offers were without success. The grass which in the meantime had overgrown and became useless for cattle foddar was burnt as it was becoming a danger to public safety. The natural grass of the unsold rights of the outside city division was not removed, it being not profitable to remove and sell the same departmentally. It is essential that all rights are taken every year on the Register whether sold or not with appropriate remarks against them.

M.C.A. 1937 V
19-12-1946

In four cases water consumption was not recorded and charged from or upto the date of fixing or removal of meters. The Hydraulic Engineer explained that in two cases there was no draw of water and in two other cases the consumption was included in the previous or subsequent month's bills due to late reading of meters.

M.C.A. 1963 V
2'-11-1946

In the Revised Schedule of Fees brought in force from 1-8-1944, the Chief Accountant's instructions to the Department to charge additional fee for hire of small petrol pump for every subsequent 2 hours or portion thereof over a day of 8 hours, were not incorporated. The Hydraulic Engineer has agreed to fix the additional fees for this item as well as for similar pumps and motor lorries in charge of the Department with Commissioner's sanction and include them in the Schedule of Fees. Prompt action on the part of the Department would save the loss of municipal revenue.

M.C.A. 1923 V
15-11-1946

About 315 trees on the Municipal lands at Powai and Bhandup, etc., were felled by the Telegraph Department out of which cut wood costing Rs. 650 was used as packing below sleepers of the trolley track and as fuel on different works, but adiustment was not carried ou' debiting the cost thereof to the Maintenance Grants. The Commissioner was requested to issue instructions to the Departments to render account of the wood whenever and wherever cut, by taking such wood on stock giving necessary credit to Revenue Account and debit to the works, as and when used.

M.C.A. 1939 V
19-11-1946

In the receipts passed by the Sub-Overseer for sale of flowers, etc., from the Joseph Baptista Gardens (Bhandarwada Reservoir) the amounts were found changed. Amount of one receipt was entered in the register on two different dates and paid into the Municipal Treasury.

M.C.A. 1957 V
22-11-1946

Except for sale of flowers and plants no other produce of the fruit bearing trees on the slope gardens was found sold. The Hydraulic Engineer explained that the produce from the fruit bearing trees on municipal lands in charge of the Department were being distributed amongst the staff as per the practice followed in past years. The Commissioner had also decided in one of the Officers' Conference s that the practice might continue.

M.C.A. 1614 V
22-7-1946 and 3-6-1947

In the Notice Issue Register of 1942-43 extra water charge bills were not noted so as to show the number of outstanding cases. It was explained that 263 notices were issued during 1942-43 for unauthorized use of water for construction purposes, and reference to extra water charge bills issued were noted in the Register excepting 43 outstanding notices for which offers were being made to trace out the old case papers.

M.C.A. 1764/V
14-10-1946

It was observed on 9-10-1946 that the Rent Demand Register of Staff Quarters and Chawls was written only upto 31-12-1945. The dates of occupancy and vacancy were not shown in all cases. Thirty two persons were shown in arrears aggregating Rs. 369-8-0 for rent and electric charges on 31-12-1945. The Hydraulic Engineer, who has to review all account books peroidically, was requested to see that the Register was brought upto date.

M.C.A. 1875/V
1-11-1946

An Assistant Engineer, on retirement, vacated municipal quarters at Malabar Hill on 31-1-1945. There was a short recovery of Rs. 7-2-0 from him towards rent which has been treated as cancellation of demand in the Register. The case file called for is awaited.

M.C.A. 1878/V
2-11-1946

Since the year 1943-44, a fee of Rs. 6 per annum payable in advance has been imposed for cleaning dial and re-sealing private meters. There were 155 cases having aggregate arrears of the fees of Rs. 1,314 on 31-3-1946. With a view to have prompt recovery of fees, it was suggested to to the Hydraulic Engineer to entrust the work to meter reading inspectors.

M.C.A. 1880/V
2-11-1946

On 31-3-1946 there were 237 standing deposits on account of Plumbers' Licenses making up a total amount of Rs. 3,542-7-0 in the departmental book, During 1945-46 in 99 cases licenses were found not issued ; in 53 cases licenses were issued in the names of persons having no standing deposits against them in the departmental books, and the Demand Register was maintained on recovery basis. The Hydraulic Engineer explained that out of 99 non-renewal of licenses, 15 persons were licensed and 84 persons did not apply for the license ; that in other 53 cases their standing deposits were received by the City Engineer who was then issuing Plumbers' Licenses ; and that the Demand Register would be maintained on the demand basis as from 1-4-1947.

The Commissioner has been requested to issue instructions to the Department to get all the standing deposits of Plumbers' Licenses on the City Engineer's Books transferred to the Hydraulic Engineer's Department. The standing deposits of persons who have not taken out Plumbers' Licenses for the last three years should be transferred to the unclaimed dues and deposit account.

M.C.A. 1938/V
19-11-1946 & 9-6-1947

Reference to bill numbers, etc., was not given in the Meter Reading Register in respect of eight cases of water connections granted to Military Outside the City. It was also noticed that the water consumption bills preferred at the rate of Re. 1 per 1,000 gallons were paid at the rate of annas ten by the Garrison Engineer and a sum of Rs. 318-2-0 was outstanding against him for which reminders were being issued by the Department.

M.C.A. 1963/V
27-11-1946 & 29-4-1947.

In one case the demand of Rs. 6 in respect of dial cleaning fee was not shown in the Register and recovered. In other two cases particulars of private meters given in the Meter Reading Register did not tally with those shown in the Revenue Demand Register. For easy trading of the recovery of dial cleaning fee in the Revenue Register, it was suggested that the numbers of private meters should also be shown in the Meter Reading Register.

M.C.A. 1934/V
2-12-1946, & 10-7-1947.

On the ground of urgency water connection was given on 31-3-1945 at Mulji House, Cadell Road, at the cost of the Director, Government Transport Service, without receiving usual deposit in advance. Three bills for the water connection amouting to Rs. 146-9-0 were outstanding. The Hydraulic Engineer explained that out of the three bills preferred, one of Rs. 79-10-0 was cancelled having been prepared inadvertantly for a second time for the work, and the balance was paid by the party. The Department is asked to state, if the bills pertained to the same work, why the amounts differed and why a bill having lesser amount was recovered.

M.C.A. 2025/V
13-12-1946, & 6-6-1947.

Although the meter hire is payable in advance, Rs. 631 were outstanding on 31-3-1946 in respect of 42 meters. In 12 cases sufficient security deposits were not taken.

M.C.A. 2027/V
13-12-1946

A Sub-Overseer resigned his job from 13-3-1945 but continued to occupy the Municipal Quarters at the Malabar Hill Reservoir upto 30-9-1945. In the Rent Demand Register of 1945-46, demand of Rs. 918-12-0 was shown but no recovery was effected. A demand of Rs. 3-4-0 for electric installation charges was cancelled. Papers are called for.

M.C.A. 2055/V
19-12-1946, & 28-4-1947.

Certain rights not sold during 1946-47 were not shown in the Demand Register. It is essential that all rights, whether sold or not, should be taken on the Register with appropriate remarks.

M.C.A. 2091/V
30-12-1946, & 13-5-1947.

Several recoveries effected by the Departments in respect of Legal Charges for contracts were found not taken in the Demand Register of the Legal Assistant. The Legal Assistant stated that on receipt of intimations from the departments concerned needful would be done.

The revenue return for the first quarter of 1945-46 was returned as the recoveries of rent effected through paysheets were not posted in the Demand Register for want of intimations from the Chief Accountant. Thus the figure of outstandings shown at the close of the quarter was incorrect. The figures of collections under this account were also not reconciled with the Chief Accountant's Books. Likewise the account of supervision charges in respect of private works bills, was not properly written in the Register and balanced.

M.C.A. 2 92 V
30-12-1946.

Annual ground rent amounting to Rs. 2,572-5-0 was outstanding on 31-3-1946 in respect of 88 tenancies. A sum of Rs. 24 due from a tenant was also not included in the above demand and recovered, but shown in the account of 1946-47. The Bombay Telephone Co., Ltd., was taken over by Government from 1-4-1943, yet the nominal rent of Re. 1 for the period prior to its acquisition was not recovered. Likewise, rent due for the period from 1-1-1943 to 31-1-1944, amounting to Rs. 39 was also outstanding.

M.C.A. 2100 V
2-1-1947, & 3-7 1947.

It was observed from papers that certain crossings over municipal land at pipe lines were made by the Forest Range Officer, Salsette, for transporting timber for Defence Department prior to 10-6-1943 as per his memo dated 26-9-1944, but no rent was recovered from him for the use of municipal land.

In the Demand Register 76 water charges bills amounting to Rs. 69,633 were outstanding on 31-3-1946. The Hydraulic Engineer was asked whether sufficient deposits were taken from the parties concerned to cover the water charges, and if so, why they were not adjusted so far. Reply is awaited.

M.C.A. 2102 V
2-1-1947

In the Demand Register of 1945-46, 156 extra water charge bills (unmetered water used for building purposes) issued upto the end of 1944-45, amounting to Rs. 51,638-12-0 were outstanding on 31-3-1946. The Hydraulic Engineer's reply as to why these bills were not more expeditiously recovered, is awaited.

M.C.A. 2103 V
12-1-1947.

The Rent Demand Register for staff quarters and chawls has not been kept properly since the introduction of the Register. All audit references sent in this connection remain unreplied. The Register for 1945-46 showed the following types of irregularities :—

M.C.A. 2132 V
9-1-1947

(*i*) Recoveries effected through paysheets and provident fund claims were not posted.

(*ii*) Increase in demand due to increments in pay of the employees in two cases was not shown in the Register.

(*iii*) In a case the tenancy was continuous but no demand was shown for a quarter ; in another case no demand and recovery was shown for temporary occupation for a month ; and in two other cases, no demand was shown in the fourth quarter.

(*iv*) Demands against two tenants in respect of one room were not shown separately.

(*v*) Demand was cancelled without assigning reasons.

(*vi*) Demand was shown less in three cases.

Health Department.

With a view to know whether all the contractors supplying milk for the Government Subsidized Milk Scheme for the City were licensed under Section 412 and 479 of the Municipal Act, a list of such contractors was sent to the Executive Health Officer, requesting him to furnish for the years 1944-45 and 1945-46, the licence numbers and the number of servant passes issued to them. The incomplete information received revealed that out of 242 contractors 85 were not licensed ; that the fees amounting Rs. 446 were recovered from 61 contractors after the audit reference was sent to the department ; that there were cases of undercharge and 11 contractors shown as not doing business were actually supplying milk, in the Scheme. It was suggested to the Municipal Commissioner, for effecting timely recovery of fees, that all these contractors should be asked to produce municipal licenses and servant passes before orders for the milk supply were placed with them. The Executive Health Officer, in reply, stated that in 40 cases licenses had since been issued and in the remaining 45 cases the parties had either left the concern or were not traceable. His latter statement could not be accepted, in as much as out of the 85 contractors who were not licensed previously, 61 names were found in the quota lists of 9-1-1947, and out of the remaining 34, some were traced to have received payments in January and February 1947. His further reply is awaited. When this has been the position where the Executive Health Officer had counter check over the contractors, what must be the state of affairs with other dealers in this trade.

M.C.A. 1237/V
23-7-1946, AND 25-2-1947

Test check of the accounts of the Assistant Health Officer, E Ward Office, showed the following irregularities :—

M.C.A. 1954 V
22-11-1946, and 10-7-1947

(*i*) Some receipts were partly over-written.

(*ii*) An Inspector had remitted annas four less.

(*iii*) The quantity shown in a milk license was double of that shown in the notice.

(*iv*) Notes of transfer or non-renewal of licenses under B.P.A. Act were not taken in the Demand Register.

(*v*) Right of removing cocoanuts from a tree was not sold during 1945-46 on the ground that the same was to be transferred to the Conservancy Department.

(*vi*) An amount of Rs. 31-4-0 kept in deposit was not adjusted to Fees Account.

Arrears of Rs. 113-14-3 in respect of two wash stones of Mahalaxmi Dhobighat pertaining to the years 1941-42 and 1942-43 were not brought forward from year to year. The Assistant Health Officer was requested to obtain sanction of the Standing Committee for write-off, if they are not recoverable.

M.C.A. 1991 V
22-12-1946

M.C.A. 1803/V
22-10-1946

Demands for two licence notices issued under B.P.A. Act for Rs. 80 pertaining to the year 1943-44 were outstanding in the Demand Register of the Assistant Health Officer F and G Wards. The Officer explained that as the fees were paid by the party in the License Department, the matter has been referred to the Department. The Asistant Health Officer's further report is awaited.

M.C.A. 1975/V
28-11-1946, & 7-5-1947

Necessary notes for non-renewal of licences under B.P.A. Act were not taken in the Demand Register of E Ward Office. In three cases the procedure followed by the Office in getting their requirements complied with before licenses were granted took unduly long time extending over a year or more, causing loss of Municipal Revenue. The Commisioner was requested to instruct the Inspectorial staff that their inspection reports should be precise and clear as to the date of commenecment of business and the quantity found on their visits.

M.C.A. 1955/V
22-11-1947

The quarters at Cowrabai Dispensary continued to be occupied by a municipal employee on his retirement and by his son after his death on 2-11-1944. The recovery of rent was held in abeyance as the question of rent was under consideration of the Commissioner, and the arrears of rent on 31-3-1946 mounted to Rs. 459. It was suggested that for safeguarding municipal interest rent should be recovered every month on the old basis and held in deposit pending Commissioner's orders.

Malaria Department.

M.C.A. 1622/V
23-7-1946, & M.C.A. 1808/V
23-10-1946

A demand of Rs. 75 for the period from 1-12-1943 to 30-11-1944 in respect of leave salary of a Junior Overseer for anti-malarial measures in connection with the Back Bay Reclamation Scheme, noted in the Demand Register was not adjusted from the deposit lodged by Government. The demand was, however, found omitted in the Revenue Return for 1944-45. The demand for the subsequent period from 1-12-1944 to 30-11-1945 was also not created in the Register.

M.C.A. 1807/V
23-10-1946

Interest for late payment of leave salary etc., contributions of an employee who had gone on deputation to the Food Controller's Office from 1-5-1943 was not recovered, as required under Rule 122 of the Municipal Service Regulations.

Vaccination Department.

M.C.A. 823/V
30-6-1945, & 5-7-1946.

Room No. 1 of the staff quarters in the compound of the Central Vaccination Office has been occupied rent-free in lieu of house rent allowance by a peon of the Assistant Health Officer F and G Wards, for the last 15 years without provision in the Establishment Schedule for the same. This has since been regularised (Standing Committee Resolution No. 181 of 30-4-1947).

M.C.A. 2126/V
7-1-1947.

Four vaccination karkuns were allowed to join vaccination course without payment of usual fee of Rs. 10.

M.C.A. 2181/V
23-1-1947.

There were errors in posting of the vaccine lymph register and it was therefore difficult to understand how the daily balance of vaccine lymph in hand wa s certified as correct. The Commissioner has asked the Superintendent of Vaccination to see that the daily balance of lymph is certified as correct after proper verification.

M.C.A. 2138/V
10-1-1947.

Full particulars such as names of parties, number of years searched, etc., were not entered in the Demand Register in respect of fees for giving extracts from the Vaccination Reigister.

Arthur Road Hospital.

M.C.A. 1696/V
22-8-1946 & 14-6-1947

Demand for rent was not created in the Register for the quarters occupied by an employee transferred to other office from 1-10-1945. Recoveries effected from the employee through paysheets since January 1947 were not posted against the demand subsequently created.

Other irregularities noticed were as under:—

M.C.A. 1933/V
4-12-1946 & 31-7-1947

(1) The Poor Box Charity Account was separated from the Municipal Fund from 1-4-1945 and maintained in the Office of the Executive Health Officer; however, several receipts were found passed from the Municipal General Receipt Book for donations received for the Poor Box Charity Account and posted in the Cash Book;

(2) Receipts were not made out for cash recoveries effected from the staff;

(3) Recovery of supervision charges in a bill was short by annas two;

(4) The yearly right of removing cocoanuts from the trees was sanctioned by the Executive Health Officer instead of by the Commissioner.

Conservancy Department.

M.C.A. 3692/V
7-5-1943
30-4-1946 & 16-6-197

Messrs. Com-Adverts, who were given the right of exhibiting advertisements on public urinals in the city vacated the sites on 31-7-1945 leaving arrears of Rs. 1,666-11-0. This being pointed out the Head Supervisor stated that steps were being taken to appropriate party's security deposit and to institute legal proceedings against the Firm for the recovery of balance due to the Municipality.

M.C.A. 2555/V of 19-1-1942, M.C.A. 593/V of 21-2-1945, AND M.C.A. 797/V of 16-6-1945.

Previous Annual Reports contain comments on the incompleteness of Rent Demand Registers of the staff quarters and chawls of the Conservancy Department. There is no improvement and no account of these chawls and staff quarters was rendered during the year under review. Thus, this account remains unchecked by audit since the year 1941.

K. E. M. Hospital and G. S. M. College.

M.C.A. 1611/V — 22-7-1946

Certain entries were found made in the Registers of the K. E. M. Hospital, after the accounts were checked by the audit clerks. Such changes should not be made without previous intimations to Audit.

M.C.A. 1812/V — 23-10-1946

Interest recovered on account of late payment of leave, etc., contributions was found allocated to different heads by different departments. The Chief Accountant was requested to see that uniformity is observed in allocating such receipts.

M.C.A. 2235/V — 20-2-1947

The receipts for frogs used at the examination by the G. S. M. College were credited to the Grant as also the recovery of flat charge of Rs. 2 per term for electricity used by the students. It was pointed out that the cost of frogs should be credited to Revenue and the charge for electricity should be merged into Hostel rent which is inclusive of electric charges.

M.C.A. 2230/V — 24-2-1947

A student from Sawantwadi State was exempted from payment of extra term fee on the strength of a certificate from the Chief Presidency Magistrate that he belonged to Bombay Province as Sawantwadi State was covered by Government Notification, Political Services, Department No. 1586/34-11 of 1-10-1938 issued under Section 262(2) of the Government of India Act, 1935. In view of the fact that in the rules relating to admission to the College, the term "Bombay Presidency" and "Bonafide Resident" have not been defined for the purpose of charging extra term fee, and as students from other states included in the geographical limits of the Bombay Province are charged extra fee, approval of the Corporation is necessary to the new interpretation as it is likely to involve the Corporation in an economic loss of about 2,400 per annum. Reply is awaited.

Chief Librarian's Office.

M.C.A. 1697/V — 22-8-1946

Some receipts passed at the various libraries were not signed by the librarians but by peons and were incorrect in details. These receipts were not checked by the Chief Accountant's staff. The Chief Librarian explained that security is taken from the peons and they were allowed to accept deposit and sign receipts in the absence of librarians as there was no alternative. The persons concerned were warned to be more careful in preparing receipts. The Chief Accountant has also given instructions to his staff to check the receipts.

M.C.A. 2150/V — 14-1-1947

The deposit return for the fourth quarter of 1945-46 was returned, as certain figures of receipts taken from the Chief Accountant's books were found extraneous. It was difficult to understand how such mistakes remained undetected by the staff of the Chief Accountant who check the departmental books in details.

City Engineer's Works Branch.

M.C.A. 1804/V — 22-10-1946

A party was charged hire for a steam roller at the old rate of Rs. 15 per day, instead of at the revised rate of Rs. 28 per day fixed by the Commissioner.

M.C.A. 1814/V — 23-10-1946, 26-2-1947 and 10-4-1947

A party had applied for hiring a tar boiler for one month from 16th April 1944 with necessary deposit. The Assistant Engineer, Maintenance, stated on 25th April 1944 that the party's deposit might be adjusted against the actual fees and on 23rd May 1944 the same officer remarked that the deposit might be refunded, as the tar boiler was not given to the party. The deposit of Rs. 50 was refunded to the party on 26th August 1944. The Deputy City Engineer explained that the Assistant Engineer's report dated 25th April 1944 was made without knowing facts. No records of movements of the plant and machinery, in charge of the Assistant Engineer, were found maintained, so as to show whether the machinery was in use on work or under repairs or lying idle or unserviceable. The Commissioner was, however, requested to see that a register, similar to the one in use for Municipal motors and trucks with necessary changes, was opened for all tar boilers, steam-rollers, concrete mixers, etc., so as to show at any time, the day to day movements of the machines which would facilitate detection of defects or irregularities in the corresponding use of men and materials charged there aginst.

M.C.A. 1897/V — 9-11-1946

Only three chowkidars were shown occupying free quarters in the Demand Register, against six provided in the Establishment Schedule. The City Engineer was asked, whether all the municipal quarters in charge of the department were taken on the Demand Register and if so, where the remaining three chowkidars were given accommodation.

Requisitioned Buildings for A. R. P.

M.C.A. 4221/V — 7-3-1944 & 11-9-1944 AND M.C.A. 2349/V — 25-3-1947

It was mentioned in the Audit Report of 1945-46 that rent Demand Register for the above buildings with about 1,800 tenements threin was not maintained in the Head Office, but only a register of the tenants paying rent in cash was kept instead. The Department after two years replied that the registers were being maintained in E Ward Office. These registers were also found incomplete in as much as they did not give the total number of rooms requisitioned and did not show the correct position of arrears against individual tenant at a glance. The recoveries were also not completely posted, totalled and reconciled with the figures of collection on the Chief Accountant's Books, A report in this connection made to the Standing Committee was forwarded by them to the Commissioner for remarks under their Resoltion No. 39, dated the 2nd April 1947.

M.C.A. 2370/V
28-3-1947

Test check of the Rent Registers maintained for the requisitioned buildings n G Ward showed the following defects:—

(*i*) Quarters allotted to employees without reference to their status.
(*ii*) Arrears of rent neither worked out nor brought forward.
(*iii*) Recoveries posted without voucher or receipt numbers and dates.
(*iv*) Certain rooms shown as vacant for more than two months.
(*v*) Recoveries of arrears of rent of ex-employees not effected.
(*vi*) Demand and recoveries in respect of electric charges not shown in the register.
(*vii*) Certain rooms in charge of another department not accounted for.
(*viii*) Some recoveries were found erroneously allocated.

City Engineer's Buildings Branch.

M.C.A. 2285/V
1-3-1947 and 25-3-1947

Sanction to construct an overhanging awning in front of a shop was communiacated to the party on 10-5-1945 and the stall-board overseer was asked to report the date of construction of the work. The report was not sent to the office by the stall-board overseer till the papers were called for, after over a year, on 1-6-1946. In his report of 26-6-1946 the stall-board overseer stated that on enquiry it was ascertained that the overhanging awning was constructed some three months back and the rent should be charged from 1-4-1946. Such inordinate delay in reporting completion of such works results in loss of municipal revenue.

Mechanical Engineer's Department.

M.C.A. 2294/V
8-3-1947

Comparison of the Establishment Schedule of 1945-46 with the Rent Demand Register of staff quarters and chawls at the Love Grove Pumping Station showed the following irregularities:—

(*i*) 27 Employees were occupying quarters rent-free, without provision to that effect in the Establishment Schedule.
(*ii*) A peon provided with free quarters in the Establishment Schedule and in the paysheet was not occupying any room in the chawls.
(*iii*) A labourer was occupying extra room on a concessional rent.
(*iv*) 1 Acting Sub-Engineer was allowed two rooms rent-free while other Sub-Engineers were allowed only one room.
(*v*) 2 Employees entitled to free quarters were not occupying quarters.

M.C.A. 2284/V
1-3-1947

Test check of the Rent Demand Register of Love Grove Pumping Station for 1945-46 showed incompleteness of the following nature even in February 1947:—

(*i*) A rent-free room was continued in the name of a labourer after his death on a rent of Rs. 3 per month. The arrears of the room were neither brought forward in the Register of 1946-47 nor recovered.
(*ii*) No remarks were made in the Register for charging varied rents to an employee who was allowed rent-free quarters. No demand was also shown for a recovery effected from him.
(*iii*) Arrears of rent and electric charges amounting to Rs. 123-15-0 of an employee who vacated the quarters were shown in pencil and also not brought forward in the new Register.
(*iv*) The posting of recoveries by adjustment effected in March 1946 was not made.
(*v*) Wrong outstanding of Rs. 24 was shown in the Register and also brought forward in respect of a Marathi School.
(*vi*) A labourer having a rent-free room was charged rent for the period of acting in another place where free quarters were not allowed. However, no demand was shown for a period of two months of his acting elsewhere and recovered.
(*vii*) The totals were incomplete and mostly in pencil.

M.C.A. 2276/V
27-2-1947

Test check of the paysheets for the month of December 1945 of the department showed that 11 employees were occupying municipal quarters at concessional rents and were also allowed to draw House Rent Allowance of Rs. 6 per month.

M.C.A. 2231/V
15-2-1947

It was observed from papers that 14 rooms of the Love Grove Chawls, which were either occupied rent-free or on concessional rent, were sub-let. Besides the above, an employee was charged standard rent of Rs. 15 per month for sub-leetting his room to another, who alleged that he had paid "Pagree" of Rs. 200 and rent of Rs. 20 per month to the principal tenant, and pointed out other cases of sub-lettings. The Mechanical Engineer's reply is awaited.

M.C.A. 814/V
20-2-1947 & 23-7-1947.

In the case of a tenant occupying the municipal bungalow on the Worli Hill, it was noticed that the electric charge recovered at the flat rate of Rs. 5 per month was much less for the average consumption of 63 units a month for 1945-46, It was suggested that when the consumption of electric ennergy is ascertainable the actual consumption should be charged.

M.C.A. 2237/V
20-2-1947.

The system of recovering ambulance hire for removal of dead bodies is not sound, is so far as no receipts are passed to the parties on spot, but money is collected by the ambulance drivers and handed over to the overseer, who in turn passes it on to office for preparing receipts. The entries for free use of ambulances are not found authenticated in the register by any responsible officer, as is being done by the Officer Commanding Fire Services. The overseer looks after the collection ambulance fees amounting to Rs. 16,000 a year. He also maintains petrol account but does not furnish any security. The Commissioner is requested to consider the feasibility of arranging to pass receipts to parties on pot by the drivers. Reply is awaited.

Drainage Department.

M.C.A. 1659/V — 5-8-1946. Municipal land admeasuring 120 sq. ft. on the bank of open channel at Prabhadevi Stables was let to a party from 15-5-1944 on a rent of Rs. 5 per month. The area of occupation by the party was increased to 190 sq. ft. and he was called upon to pay rent of Rs. 8 instead, from 1-7-1944. The demand in the register was, however, not likewise increased and the party was allowed to pay rent at the old rate. The tenancy agreements were, in many cases, not executed.

The monthly ground rent Demand Register showed the following two cases of heavy arrears:—

M.C.A. 820/V — 29-6-1945 & 7-8-1946.

Name of the Party.	Monthly rent.	Arrears on 29-6-1942	Arrears on 1-6-1945	Arrears on 1-7-1946
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
(1) Satya Narayansing	2 0 0	6 0 0	6 0 0	38 0 0
(2) M. K. Shete	8 0 0	96 0 0	384 0 0	480 0 0

In case No. 2, above, no recovery is made since July 1941 and no court action is taken, though the Standing Committee's approval to file a suit was obtained under their Resolution No. 225, dated the 17th May 1943.

License Department.

M.C.A. 1494 V — 22-5-1946. A permit book containing counterfoils for moveable boards was missing. Instructions were issued by the Department to the staff to exercise greatst possible care to obviate loss of books.

M.C.A. 1513/V — 29-5-1946. In two cases, the amounts charged were short by Rs. 3-14-0 and Rs. 45-0-0 according to the particulars recorded on the advertisement permits. The License Superintendent explained that in one case, ½ schedule rate was charged, as the advertisement boards were blank, while in the other case, the area was erroneously shown in the permit.

M.C.A. 1564/V — 27-6-1946. License fee of Rs. 5 for the month of March 1945 in respect of space in the Reserved Area of G Ward was recovered at the instance of Audit.

M.C.A. 1613/V — 22-7-1946. In the Squatters Fee Registers for Reserved Areas, particulars of spaces, dates of occupation and vacancies were not given. The total number of vacant spaces in the certified reports of the Senior Supervisor differed in a few cases from those given in the summaries by the Ward Supervisors. The Superintendent of Licenses stated that the Registers would be properly maintained. As regards variation in the number of vacant spaces, the Senior Supervisor explained that the vacancies mostly differ, because many squatters were not found on the spot on the day of his inspction which is casual, and that his vacancy reports were not meant for audit purposes, but for the control over the work of the Ward Supervisors.

M.C.A. 1565/V — 27-6-1946 & 19-6-1947. One month's license fee amounting to Rs. 38-4-0 pertaining to the year 1944-45 was recovered, at the instance of Audit, from four squatters of the reserved area on Lakhamsi Napoo Road. In view of such omissions of recovery of license fees, the Chief Accountant is requested to state why the squatters fees Demand Registers were not checked by his staff.

M.C.A. 392 V — 30-10-1944. A list of commodities stocked by the licensees abnormally in excess of the maximum shown in the Table of Fees, was drawn up and sent to the Department, enquiring whether such holding of stock could reasonably be covered by the licenses issued and whether the fees should not be raised proportionately in such cases. The fees have since been revised on a progressive scale. (Corporation Resolution No. 1286, dated the 29th January 1947).

Fire Brigade Department.

M.C.A. 1635/V — 14-3-1945 & 26-11-1946. Demands in respect of leave salary contributions of the Fire Brigade Staff sent on deputation to the Auxiliary Fire Service of the Bombay Port Trust were shown according to the dates of preferring the bills, which were sent usually late. In two cases, bills for the amounts of Rs. 271-2-0 and Rs. 442-14-0 were not prepared and no demand was shown, although the amounts were received and taken under deposit. No interest was recovered for the late payment of amounts, as required under Rule 122 of the Municipal Service Regulations The Officer Commanding Fire Services explained that necessary demands had since been taken in the Register and that the question of waiving the recovery of interest for late payment had been referred to the Commissioner

M.C.A. 1718/V — 10-9-1946. Demands in respect of leave salary contributions of the staff on deputation for A.R.P. Work were noted in the Register as per the issue of bills and not month by month. No interest was also recovered for late payment of amounts, as required under Rule 122 of the Municipal Service Regulations.

M.C.A. 2 o V
8 2 1947

Fifteen receipts were passed by the Department for hire of ambulances on various occasions in favour of the District Traffic Superintendent, B. B. & C. I. Railway, although the amount for the same was receipted by the Chief Accountant. In a bill for repairing appliances, supervision was charged on labour only, instead of on the total amount of labour and materials.

Gardens Department.

M.C.A. 11[illegible]
18-12-194[illegible] and
1-8 1946

A surprise check of the malis and menials quarters was carried out on 6-12-1945. It was noticed that several persons were found sleeping in a room shown as vacant in the Demand Register and many outsiders were found staying with the Municipal employees. Definite instructions for the recovery of rent at Rs. 5 per month, per head from outsiders staying with the municipal employees in the quarters, were issued as far back as on 3-2-1944, but no action was taken in the matter.

M.C.A. 2127 V
7 1-1947.

The elephant of the Zoo was sent out on hire for a day, in one case, and for three days, in another case. Fee of Rs. 10 for the mahout's attendance was charged in both the cases, without Commissioner's sanction to the scale of fees. The recoveries were also found credited to the grant, instead of to Revenue.

M.C.A. 2135 V
10 1-1947

Various sums amounting to Rs. 438-10-0 received and held in deposit during 1944-45 and 1945-46 for supply and hire of plants, etc., were oustanding. Such non-adjustment in time affects the revenue figures of the department.

M.C.A. 2137 V
10-1-1947

An offer for the right of collecting cocoanuts from 59 trees at the Mahim Foreshore Garden for the year 1945-46 was received by the Department for Rs. 1,066. The same was not accepted, as the trees were included in the right of the Estate Agent, sold for Rs. 2,500 for 1,069 trees and credit of Rs. 371-13-0- only was given to the departments on pro-rata basis. The Estate Agent on 23-6-1945 stated that the right of the Gardens Department should be separated from next year and yet 146 trees of the Department were included in the right of the Estate Agent for 1946-47 which was sold for Rs. 3,151-0-0. No pro-rata credit for the year was given to the Department upto 10-1-1947.

M.C.A. 2157/V
16-1-1947

Out of the 25 employees of the Department shown as occupying quarters rent-free in the Demand Register, only nine employees were shown provided with rent-free quarters in the Establishment Schedule of 1946-47. Free quarers for the head mali was occupied by a naik of the office.

M.C.A. 2176/V
20-1-1947

Test check of the accounts for 1945-46 revealed the irregularities of the following nature:—

(*i*) The receipt books were not serially issued for use.
(*ii*) Some receipts were not correctly written as regards dates, periods, etc.
(*iii*) Omission of recording demand and posting of recoveries.
(*iv*) Non-charging of proper dues for the use of recreation ground for erecting pendals, etc.
(*v*) Non-recovery of standard rent from an employee transferred to other department.
(*vi*) Omission in the statement of increase and decrease of animals in respect of sale.
(*vii*) Animals shown as dead not supported by receipts for carcasses sent to Tardeo Flats.

Markets Department.

M.C.A. 1478/V
16-5-1946.

Inspectin of the account books of the year 1946-47 on 14-5-1946 showed that the Main Cash Book was not written for a number of days although the daily collections were remitted to the Chief Accountant. Subsidiary Registers such as stall-rent, license fees demand registers, sectional cash books for license fees and miscellaneous receipts were not opened for the year.

M.C.A. 1557/V
21-6-1946.

At the Gold Mohor Market, squatters' fees in eight cases were found charged less, as the total number of baskets weighed were more than the total number of baskets charged for. Some squatters were allowed to run into arrears, instead of recovering squatters fees daily.

M.C.A. 1658/V
5-8-1946.

There is a Gas Compressor Station of the Bombay Gas Co., Ltd., at the entrance of the Bandra Slaughter Houses. Neither rent is recovered for the occupation, nor the tenancy is shown rent-free in the Demand Register . Letting papers are called for.

M.C.A. 558/V
18-6-1946

The total of squatters fees collected on 31-12-1944 of the Erskine Road Market, was taken as 75-4-0. instead of Rs. 65-4-0 and remitted to the Chief Accountant. The excess remittance of Rs. 10 was, however, found refunded to the Inspector on 1-11-1945, although such excess remittances are usually credited to revenue.

M.C.A. 570/V
15-2-1945.

The report showing certain discrepancies and irregularities, noticed in the accounts and management of the Bandra Slaughter Houses, was forwarded to the Commissioner for remarks under Standing Committee Resolution No. 1898, dated the 17th March 1945. The Commissioner submitted his report thereon after 20 months and the matter was finally disposed of under Standing Committee Resolution No. 1354, dated the 27th November 1946, treating it as confidential.

M.C.A. 1719/V
10-9-1946

The charges for cold storage, as per particulars in a receipt, worked out to Rs.2-4-0 as against Rs.0-13-6, recovered. The total of collection on 29-8-1944, in the Cold Storage Register, was incorrect resulting in a short remittance of pies six. The Superintendent of Markets explained that the details were erroneously shown as fish baskets for fruit baskets and that the short remittance was made good by the Inspector on 8-10-1946.

Estate Agent's Department.

The main items of receipts of this Department are (1) Rents from Municipal and Ex-Trust Properties, (2) Sale of Rights, (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums of permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

The registers of demand, collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 have remained unbalanced and unreconciled.

The instructions of the Deputy Municipal Commissioner (Improvements) for completion and balancing of these registers do not appear to have been yet carried out and nothing is so far done to put these matters on a satisfactory basis.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by calling for information and explanations from the Department for scrutiny and by forwarding to it periodical lists of arrears of selected cases. During the year under report a number of such statements were drawn up and sent to the Deparment but most of them together with some for the previous years still await final disposal, The Deputy Municipal Commissiner (Improvements) has been pressing the Departmental Officers and staff to take action by circulars, instructions and warnings on the defects shown by audit and although some improvement is achieved much remains still to be done.

The cases of past arrears, specially of vacated tenancies do not still receive as much attention as they ought to as will be seen from the audit objections mentioned hereafter. The amount of such past arrears of vacated tenancies for "Bad and Doubtful Debts" was Rs. 1,90,126-13-6 on 1st April 1946 to this was added a sum of Rs. 39,133-6-0 on account of fresh arrears accrued during the year 1946-47 bringing the total outstanding to Rs. 2,29,260-3-6. Against this recovery effected by the rent collecting staff including adjustments of deposits, etc., during the year 1946-47 was Rs. 22,074-12-1 only.

In these days of acute shortage of housing accommodation it is difficult to think of a tenant running away leaving arrears without putting some one else in his place and yet the arrears transferred to Bad and Doubtful Debt Registers of such tenants during the year amounted to a big sum of Rs. 39,133-6-0.

Outstanding Audit Notes.

Out of 169 (121 +48) outstanding audit notes as on 31-3-1946 only 67 have been replied to during the year under report and the number still left over is 102. The nature of these objections has already been summarised in the reports of the respective years. A list of them is available in this office for reference by the Department concerned whenever necessary.

Late submission of occupancy and vacancy reports.

M.C.A. 1307/III
25-2-1946

14 Cases of vacant land occupancy reports submitted late by one month to two and a half years were referred to the Estate Agent who replied that in one case the party was made a municipal tenant after serving encroachment notice on him. In another case it took time to get sanction for transfer. In two other cases delay was due to dispute in connection with change of user and area occupied. Intimation of occupation was received late from the Superintendent of License, Shops and Establishment in one case.

Reply in the remaining cases is awaited.

M.C.A. 1715/III
10-9-1946

18 Cases of occupancy reports delayed from one to three months were referred to the Estate Agent who replied that delay was due to the time taken for settling encroachments and recovering tenancy deposits.

M.C.A. 1716/III
10-9-1946

Occupancy reports are a sort of check ensuring accuracy as to the dates of occupations from which rents are chargeable. These reports were found to be made very late for want of sanction, recovery of deposits, settlement of rents, etc. It was, therefore, suggested that the submission of reports showing the dates of occupation pending settlement of all other matters should be regularly insisted upon in order that the parties might not get undue advantage of time, out of negligence or otherwise of the staff concerned. The Department has issued a circular in January 1947 instructing the Division Officers to submit to Accounts Branch every week the returns in the tabulated forms showing approximate date of encroachment, date of noting encroachment, approximate area, name of the party, etc., in respect of cases of encroachments detected by the Inspectors from time to time. These returns are to be filed by the Accounts Branch regularly and made available whenever required by audit staff for verifying the dates, etc., mentioned in the regular occupancy reports when received. Such returns however, do not appear to have been received in the Accounts Branch so far.

Arrears Written Off.

M.C.A. 2151 III
24-7-1941

The Estage Agent was requested to obtain Deputy Municipal Commissioner's (Improvements) sanction for including the arrears of Rs. 53-2-0 due from Mr. B. D. Bhatkar for tapping 10 cocoanut trees in the write-off statement.

The Estate Agent replied that in view of the fact that tapping rights have been discontinued owing to the policy of prohibition and that the amount being very small the matter might not be persued. He further stated that the original papers were not available.

M.C.A. 1863 III
31-10-1945.

Arrears of Rs. 180 due from Mr. Bahadur Agnoo, occupying vacant land Case No. 63, Scheme 6, were withdrawn by reducing, with the sanction of the Municipal Commissioner, the monthly rent from Rs. 15 per month to Rs. 7-8-0 per month with retrospective effect. It was pointed out that such reduction in arrears amounts to their writing off, to which sanction of the Standing Committee was necessary.

The Estate Agent replied that the reduction in monthly rent had resulted in the withdrawal of excess demand of Rs. 180 and that the fixation of rent in case of the monthly tenancies with or without retrospective effect is within the competency of the Municipal Commissioner or the Deputy Municipal Commissioner (Improvements). It was however, further pointed out that the rent, no doubt, could be fixed with retrospecitve effect, but if it was fixed once, it could not be varied restropectively and as such the reduction of Rs. 180 was a withdrawal of claim The Deputy Municipal Commissioner (Improvements) agreed to the view that ordinarily it would not be right to reduce rent with retrospective effect as it is tantamount to a withdrawal of claim.

M.C.A. 214 III
10-1 1947

A demand of Rs. 285-3-0 in respect of land at Worli, Scheme 52, admeasuring 340 sq. yds. encroached upon by Mr. R. D. Dubash was withdrawn by changing the date of occupation from 21-12-1943 to 1-4-1944, under the orders of the Divisional Officer. A reference was made to the Estate Agent pointing out that the demand for the encroached land must have been created in the Demand Register after due inspection of site and verification of the date of the encroachment.

The Estage Agent replied that the sanction of the Deputy Municipal Commissioner (Improvements) was obtained to charge the tenant from 21-12-1943 for the encroached land, to which he had agreed, but subsequently on the party's request to charge the rent from 1-4-1944, the Divisional Officer gave instructions to the Accounts Branch to change the date of occupancy from 21-12-1943 to 1-4-1944 without the Deputy Municipal Commissioner's sanction. The case was regularised by obtaining necessary sanction on 25-3-1947.

Arrears of Rent. (Permanent).

M.C.A. 1347/III.
27-3-1946.

Out of 39 cases of arrears of ground rent from lessees for three quarters and over as on 28-2-1946, referred to the Estate Agent, recovery has since been made in 22 cases; 10 cases pertain to Military occupation and further reference is made in respect of remaining seven cases under separate audit note.

M.C.A. 1810/III
23-10-1946.

Arrears of Rs. 1,155 in respect of ground rent for five quarters, due from the Building Tenant of Plots Nos. 265 and 266, Sion Matunga Estate were reported to the Estate Agent. Reply is awaited.

Late Payment of Premium.

M.C.A. 2448/III
24-9-1942

A motor garage on plot No. 684, Dadar Matunga Estate, was completed on 1-11-1938, but the premium in respect thereof, was paid on 16-9-1941. The Estate Agent was written to as to why the interest for late payment on the outstanding amount of premium was not recovered as usual. The party, however, repudiated his liability to pay such interest in absence of any agreement to that effect. It was, therefore, proposed by the Deputy Municipal Commissioner (Improvements) after referring to the Legal Assistant to modify the form of the draft letter to the Improvements Committee and the Corporation so as to make payment of interest a condition of the sanction. This has since been done.

M.C.A. 1910/III
12-11-1946

In respect of Plot No. 1-A part (Plot No. 1), Mahalaxmi Flats Estate, leased in perpetuity though possession was declared to have been given to the party on 2-6-1943, interest for late payment of premium was recovered only from 25-6-1943, to the date of payment. The Estate Agent explained that prior to April 1945 the date of payment or the 15th day from the date of the letter intimating that the land was ready for giving possession whichever fell earlier was taken as the date of possession. The party in this case was asked to take possession on 18-6-1943 and the actual date of possession was 25-6-1943 and not 2-6-1943 which was declared inadvertantly.

Short Recoveries.

M.C.A. 1945/III
20-11-1946.

An amount of annas four in respect of Court cost was recovered less against Suit No. 2473 of 7-3-1946. Reply is awaited.

M.C.A. 2279/III
27-2-1947.

The Estate Agent was requested to state whether recovery for 2 years at double the rate was made from the Building Tenant of Plot No. 124, Gamdevi Estate, in respect of a monsoon shelter, retained as per Sub-Overseer's Report, after the monsoon of 1945. Reply is awaited.

Arrears of Rent (Temporary).

M.C.A. 1239/III of 17-7-1940
AND
M.C.A. 1659/III of 7-2-1941

It was reported in the last year's report that the case of arrears of Rs. 1,642-9-0 due from Mr. B. R Bhonsle for occupation of rooms in case No. 899/2, Scheme 57, and a piece of land case No. 403, in the same Scheme was handed over to the Legal Assistant for taking legal proceedings.

As a result of legal action the structure was attached and sold for Rs. 1,100 to one Mr. Ahmed Ismail who sold his right, title and interest in the structure to one Mr. R. S. Barde. He also offered to pay all the outstanding dues upto date from Mr. Bhonsle on condition that a fresh tenancy on monthly basis with reduced ground rent was given to him. Mr. Barde paid the full amount due from Mr. Bhonsle in respect of the vacant land tenancy and the Legal Assistant's bill of cost as agreed upon.

M.C.A. 1813/III
27-3-1941.

426 Cases of arrears due from ex-tenants, in respect of acquired properties, chawls, etc., were reported to the Estate Agent. These cases included names of certain business concerns. It was pointed out that it might not be quite impossible to trace them out, if efforts in the right direction were made. It was further suggested that separate cases together with letting papers showing addresses of the parties and efforts made for recovery in respect of irrecoverable arrears, should be put up to the Deputy Municipal Commissioner (Improvements) for orders.

In reply the Estate Agent stated that the amount of the outstanding arrears under reference after adjusting deposits in some cases towards rents worked out to one per cent., of the normal demand of a quarter, and arrears are written-off only after they become time-barred wherever necessary, individual cases are submitted to the Deputy Municipal Commissioner (Improvements) for securing necessary sanction of the Standing Committee. In view of the large number of the municipal tenants the Deputy Municipal Commissioner (Improvements) thought that it was difficult to maintain a file for each ex-tenant.

It may be added that out of the cases of business concerns referred to above, full recovery of Rs. 73-2-0 is made in case of two concerns only and two more cases are under action. The rest are included in the write-off statements.

M.C.A. 154/III — 18-6-1946.

Arrears of Rs. 707-10-0 due from Mr. Haji Noor Mahomed Haji Ali Jalal, occupying tenancies in Plot No. 94 S, Scheme 37, were referred to the Estate Agent. Reply is awaited.

M.C.A. 1677 III — 14-8-1946.

14 Cases of outstanding arrears pertaining to 1944-45 and 20 cases pertaining to 1945-46 from ex-tenants were reported to the Estate Agent who replied that recovery in one case was made in full; in four cases balances of amounts due, after adjusting tenancy deposits had been proposed to be included in the write-off statements; two cases are under recovery; and the remaining 27 cases pertaining to ex-municipal employees in whose respect recovery is proposed to be made from provident fund claims. The Estate Agent's further reply is awaited.

M.C.A. 2182/III — 23-1-1947.

Arrears of Rs. 350-4-0 due from Mr. Mahomed Siddik Jamal Khan occupying vacant land Case No. 74, Scheme 52, as on 31-12-1946 were referred to the Estate Agent, pointing out that in spite of reduction in the monthly rent from Rs. 60 to Rs. 32-4-0 from 1-4-1946 the tenant had run into arrears. The Estate Agent's reply is awaited.

Outstanding Riot Tax.

M.C.A. 2729/III — 7-4-1942

Four cases of outstanding riot tax pertaining to 1936 due from existing tenants Scheme 52, were under action of the Division.

The amount in one case has since been recovered. The remaining three cases being time-barred and irrecoverable are proposed to be included in the write-off statement.

Outstanding Court Costs.

M.C.A. 705/III — 3-5-1945.

Out of 10 cases of outstanding court costs of 1943-44, referred to the Estate Agent, full recovery of Rs. 14-12-0 has since been made in two cases, in one case the suit was reported to be dismissed with costs; in six cases the parties are reported to be not traceable, and the dues from them are proposed to be included in the write-off statement. The remaining cases in which part recovery is made, has been again referred to the Estate Agent under a separate audit note for recovery of the balance.

M.C.A. 922/III — 20-8-1945.

3 Cases of outstanding half court costs and 4 cases of outstanding decretal amounts were referred to the Estate Agent.

The amounts in six cases have since been recovered and for the remaining one case a separate audit note has been issued.

Registers of Decrees and Claim Suits.

M.C.A. 1065/III — 22-12-1945.

In reply to certain irregularities in respect of claim decrees outstanding from 1940 onwards, the Estate Agent stated as under:—

(1) The decrees which were lying in Court for renewal could not be sent for audit check.

(2) In almost all cases, action for recovery was taken and notes for recovery were made in the books of the Accounts Branch. The recoveries have since been noted in the Claim Suit Regiseters.

(3) The cost of the decree papers, which remained to be posted inadvertently against two cases has since been entered in the Suit Register.

To a suggestion that some responsible officer should look after the execution of the decrees, the Estate Agent replied that a regular register for the renewal of decrees has been maintained in the Section and was being perused by the Deputy Estate Agent from time to time. No change in the present system was, therefore, considered necessary.

M.C.A. 1274/III — 28-11-1945.

The Estate Agent was requested to expedite recovery of outstanding decretal amounts in seven cases. Reply is awaited.

Rooms let at Concessional Rent.

M.C.A. 460/III — 4-12-1944

Scheme 57, Room No. 1, ground floor, Block 3, New Labour Camp, was let to the Secretary, Bharatiya Seva Mandal at concessional rent for social work. The case was referred to the Estate Agent for ascertaining whether the room was being so used. The Estate Agent replied that the room was not so used and stated that the matter was being looked into. He further replied that the room was vacated on 16-8-1946, and let to another person at standard rent. The Estate Agent is further requested to state why standard rent was not recovered from the previous tenant for misusing the concession and why in such cases restoration of standard rent should not be made automatically on change of user. The Estate Agent's further reply is awaited.

Miscellaneous.

Discrepancies in words and figures in respect of two receipts which were referred to the Estate Agent have since been set right.

M.C.A. 1309/III of 15-3-1946
AND
M.C.A. 1717/III of 10-9-1946

Some rooms in Municipal chawls are still occupied by the City Engineer's Department, for A. R. P. Works. A reference was made to the Estate Agent enquiring why the rooms were not vacated although disbandment of A. R.P. Services had long been announced by the Government. The Deputy City Engineer to whom the reference was forwarded by the Estate Agent replied that the question of derequisitioning of the properties was under the consideration of the Government.

M.C.A. 1428 III
23-4-1946

The following irregularities in Labour Camp, Scheme 57, were reported to the Estate Agent:—

M.C.A. 1550/III
18-6-1946

(1) Concessional rent was charged instead of standard rent.
(2) Although standard rent of a room was restored, no note was taken in the Demand Register.
(3) Two rooms were let at concessional rent to one tenant.
(4) A room was rented at a rate less than concessional rent fixed for it.

Papers called for not yet received.

In Suparibaug and Love Lane Chawls three rooms were found to have been occupied by persons different from those appearing in the Demand Registers. Reply is awaited.

M.C.A. 1572/III
29-6-1946

Although Plot No. 10, Sion-Matunga Estate was transferred from Mr. G. L. Parmar to Messrs. R. B. Desai and Others in February 1942, deposit for legal cost stood to the credit of Mr. Parmar upto February 1946, when it was adjusted to revenue. A further deposit towards legal cost was also recovered on 12-9-1945 from Mr. Parmar. The Estate Agent was requested to explain delay in recovering the municipal dues. Reply is awaited.

M.C.A. 1714/III
10-9-1946

On scrutiny of the current Rent Registers in September 1946, it was noticed that the information of work addresses was given in eleven cases only.
Reply from one division only has since been received.

M.C.A. 1746/III
28-9-1946

As a result of test check of the Circulating Registers of Division III, the following irregularities were noticed:—

M.C.A. 1815/III
23-10-1946

(1) Remarks for the steps taken for recovering arrears were not given in the Registers of 1945-46.
(2) Although work addresses were known no action for recovery was taken and in one such case arrears were proposed to be written-off.
(3) No recovery was effected from Municipal servants who had vacated certain rooms leaving rent in arrears.

Tenancy deposit was not taken from Mr. E. M. Joseph, occupying vacant land, Case 55, Scheme 57.

M.C.A. 2130/III
8-1-1947

The Estate Agent replied that the security deposit for auction was considered sufficient to cover the tenancy deposit.

On 21-2-1947, a rent collector paid Rs. 297-8-0 against the actual clollection of Rs. 197-8-0. In his reply to a reference, the Estate Agent replied that the excess amount was paid due to a mistake in total and the rent collector has been warned.

M.C.A. 2249/III
24-2-1947

Room No. 143, 1st floor, Block 3, Love Lane Chawls, was shown vacant in the Demand Register since 26-11-1946. The Estate Agent replied that due to disturbed situation no muslim for whom the block was reserved was willing to occupy it. The room has since been let.

M.C.A. 2307/III
13-3-1947

The following irregularities from Bad and Doubtful Debts Registers of 1944-45 and 1945-46, were reported to the Estate Agent:—

M.C.A. 1676/III
14-8-1946

(1) Tenancy deposits stood in the name of parties, after adjusting arrears in full.
(2) Excess recoveries were made against arrears due.
(3) Deposits were not adjusted against arrears.

Statement of periodical lists of arrears for six months and over forwarded to the Estate Agent during the year 1946-47.

Serial No.	Audit Note No. and Date.	No. of cases reported.	Arrears as on	Recovery. No. of cases.	Remarks.
	Acquired Properties.				
1	M.C.A. 2134/III of 10-1-1947	10	31-12-1946	...	No reply.
2	M.C.A. 2142/III of 10-1-1947	3	31-12-1946	...	Interim reply received.
3	M.C.A. 2144/III of 11-1-1947	35	31-12-1946	...	No reply.
	Chawls.				
4	M.C.A. 2004/III of 7-12-1946	9	30-11-1946	...	No reply.
5	M.C.A. 2005/III of 7-12-1946	2	30-11-1946	...	Interim reply received.
6	M.C.A. 2024/III of 11-12-1946	29	30-11-1946	...	No reply.
7	M.C.A. 2030/III of 13-12-1946	25	30-11-1946	...	Do.
8	M.C.A. 2052/III of 18-12-1946	4	30-11-1946	...	Do.
	Vacant Land.				
9	M.C.A. 1973/III of 28-11-1946	2	31-10-1946	...	Suits filed.
10	M.C.A. 1997/III of 6-12-1946	2	30-11-1946	1	Further reply awaited.
11	M.C.A. 2036/III of 16-12-1946	27	30-11-1946	...	No reply.
12	M.C.A. 2174/III of 20-1-1947	18	31-12-1946	...	Do.
	Municipal Properties.				
13	M.C.A. 2308/III of 13-3-1947	27	28-2-1947	...	
	Ex-Tenants.				
14	M.C.A. 2003/III of 6-12-1946	5	...	1	2 Items awaiting final disposal
	Municipal Taxes.				
15	M.C.A. 2321/III of 14-3-1947	7	28-2-1947	...	No reply.
16	M.C.A. 2845/III of 22-3-1947	25	28-2-1947	...	Do.
17	M.C.A. 2348/III of 25-3-1947	6	28-2-1947	...	Do.
18	M.C.A. 2360/III of 27-3-1947	19	28-2-1947	...	Do.
19	M.C.A. 2361/III of 27-3-1947	18	28-2-1947	...	Do.
	Permanent Leases.				
20	M.C.A. 2244/III of 21-2-1947	52	31-1-1947	...	No reply.
21	M.C.A. 1978/III of 30-11-1946	7	31-10-1946	...	Do.
	Court Costs.				
22	M.C.A. 1510/III of 29-5-1946	47	From 1-4-1944 to 15-10-1945	...	No reply.
23	M.C.A. 2283/III of 1-3-1947	14	Period ending 31-3-1946	...	Do.

Arrears of Rent Recovered at the instance of Audit.

Serial No.	Particulars of Tenancy.	Name of the Party.	Reference No. and Date.	Amount outstanding Rs. a. p.	Date of recovery.	Remarks.
1	Scheme 5, Plot No. 167D	S. V. Ranade ...	M.C.A. 1909/III of 12-11-1946.	5 14 0	Receipt No. 7239 of 26-11-1946.	
2	Scheme 57, Case 879, Room 1-3, Ground Floor.	Bahadur Agnoo ...	M.C.A. 1660/III of 7-2-1941.	50 0 0	Adjustment Voucher Register No. 39614 of 21-10-44.	
3	Gollanji Hill Scheme. Case M/358.	Summandarkhan Mukhrrabkhan.	M.C.A. 3493/III of 9-3-1943.	409 10 0	Adjustment Voucher No. 49784 of 22-3-1947.	Final Adjustment of Rs. 275.
4	Scheme 37, Case No. 132	Mahomed Usman Mahomed Siddik.	M.C.A. 583/III of 19-2-1945.	290 0 0	Estate Agent's Adjustment No. 179A of 1947-48.	Final adjustment of Rs. 100.
5	Scheme 37, Plot 4-5, Room No. 1, Side Gala.	Moosa Abdul Karim ...	M.C.A. 2139/III of 10-1-1947.	254 0 0	Receipt No. 920/53 of 21-2-1947.	Rs. 240 rent reduced from Rs. 17 to Rs. 15 from 1-2-1945.

DIVISION 'B'

Statements of receipts and payments and balances of Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a Summary Form.

(*Note* 1.—Unless specially indicated, the figures throughout this report are in lakhs of rupees).

(*Note*2.— In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included).

I.—Municipal Accounts (Proper).

Revenue Account.

1. *Explanatory.*—The original Budget Estimate for the year anticipated a revenue deficit of Rs. 1.18. The actuals, however, resulted in a surplus of Rs. 24.89. The improvement of Rs. 26.07 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 29.43 and more expenditure of Rs. 3.36.

2. *Summary of Revenue Transactions for the year.*

	Actuals 1945-46.	1946-47. Budget.	Revised.	Actuals.
	Rs.	Rs.	Rs.	Rs.
Opening Balance	69.08	19.12	60.20	60.20
Income	487.37	507.38	537.01	536.81
Expenditure	493.13	508.56	582.69	511.92
	5.76 (Deficit).	1.18 (Deficit.)	45.68 (Deficit).	24.89 (Surplus)
Balance	63.32	17.94	14.52	85.09
Recoupment of Advances, etc.	—3.12	—1.62	—6.18	—34.90
Closing Balance	60.20	16.32	8.34	50.19

Lapsed Grants.—The amounts of lapsed grants estimated to be renewed during the year 1947-48 aggregate Rs. 49.53 against Rs. 20.45 in 1946-47 showing an increase of Rs. 29.08. The details are given in Appendix 4 of the Chief Accountant's Report.

3. *Summary of receipts according to service heads as compared with Budget and Actuals of previous year.*

Head.	Budget 1946-47.	Actuals 1946-47.	Increase or decrease over over Budget 1946-47.	Actuals. 1945-46.	Increase or decrease in actuals for 1946-47 as compared with those for 1945-46
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, Indirect Taxation and Miscellaneous Revenue	234.44	242.50	+ 8.06	215.32	+27 18
(2) Water Works	139.43	149 19	+ 9.76	128.52	+20.67
(3) Education, Primary	9.75	9.83	+ .08	9.73	+ .10
(4) Education, Secondary	...	0.01	+ .01	0.02	— .01
(5) Public Health Department	2.62	1.69	— .93	3.18	— 1.49
(6) Medical Relief and Education	2.32	3.14	+ .82	2.65	+ .49
(7) Street Cleansing, etc.	46.67	50.05	+ 3.38	48.74	+ 1.31
(8) Roads, Drains and Sewers	19.22	23.11	+ 3.89	22.65	+ .46
(9) Mechanical	.65	.55	— .10	1.74	— 1.19
(10) Buildings	14.52	14.14	— .38	14.42	— .28
(11) Fire Brigade	7.74	7.92	+ .18	7.93	— .01
(12) Licensing	5.93	6.56	+ .63	7.29	— .73
(13) Gardens and Open Spaces	1.17	1.23	+ .06	1.23	...
(14) Markets and Slaughter Houses	19.00	22.67	+ 3.67	20.62	+ 2.05
(15) Contribution from Capital Funds	1.25	.93	— .35	0.69	+ .24
(16) Extraordinary Receipts	.90	1.46	+ .56	0.85	+ .61
(17) Rebate from Government on account of Urban Immovable Property Tax...	1.77	1.86	+ .09	1.82	+ .04
(18) Excess accumulation in the Plant and Machinery Depreciation Fund.	...	...	...	...	...
Total Rs. ...	507.38	536.81	+29.43	437.37	+ 49.44

The main items contributing to the net increase of Rs. 29.43 over the Budget are given in para. 6 of the Chief Accountant's Report.

4. Statement from various Municipal Departments of demand, collection and arrears of Municipal dues as on 31st March 1947 have not been received duly reconciled with the figures of the Chief Accountant's Department.

5. *Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year:—*

Head.	Final Budget Grants 1946-47.	Actuals 1946-47	Increase or decrease over final Budget Grants 1946-47.	Actuals 1945-46.	Increase or decrease in actuals for 1946-47 as compared with those for 1945-46.
	Rs.	Rs.	Rs.	Rs.	Rs.
I.—General Supervision	24.45	17.57	— 6.88	14.37	+ 3.20
II.—Water Works	83.46	75.72	— 7.74	83.32	— 7.60
III.—Education, Primary	74.04	71.60	— 2.44	62.34	+ 9.26
IV.—Education, Secondary	.67	.53	— .14	.44	+ .09
V.—Public Health Department	19.37	14.48	— 4.89	12.66	+ 1.82
VI.—Medical Relief and Education	38.97	31.27	— 7.70	32.94	— 1.67
VII.—Street Cleansing and Conservancy	52.25	44.74	— 7.51	33.20	+11.54
VIII.—Roads, Drains and Sewers	80.93	63.22	—17.71	61.37	+ 1.85
IX.Mechanical	27.96	21.68	— 6.28	17.00	+ 4.68
X.—Buildings	23.39	22.98	— .41	22.58	+ .40
XI.—Fire Brigade	9.12	7.48	— 1.64	6.04	+ 1.44
XII.—Licensing	2.84	2.65	— .19	2.11	+ .54
XIII.—Gardens and Open Spaces	5.38	4.57	— .81	4.40	+ .17
XIV.—Markets	9.83	8.18	— 1.65	7.32	+ .86
XV.—Contribution towards Improvement Schemes ...	30.02	30.00	— 02.	28.37	+ 1.63
XVI.—Provident Fund, etc.	18.42	15.27	— 3.15	11.92	+ 3.35
XVII.—Urban Immoveable Proprty Tax	.56	.46	— .10	.45	+ .01
XVIII.—Dearness Allowance	58.75	57.44	— 1.31	42.87	+14 57
XIX —Grant-in-Aid to Public Institutions	6.30	4.59	— 1.71	3.00	+ 1.59
XX.—Measures for Civil Defence	1.45	Cr. .23	— 1.68	1.43	— 1.66
XXI.—Post War Reconstruction Fund	17.00	17.00	...	45.00	—28.00
XXII.—Revision of Grades, etc.	...	...	...	...	...
XXIII.—Maintenance of Topiwalla National Medical College and Nair Hospital and Dental College ...	1.16	.72	— .44	...	+ .72
Total Rs. ...	586.32	511.92	—74.40	493.13	+18 79

The figure of actuals for 1946-47 includes debt charges amounting to Rs. 123.57 of which Rs. 19.51 were on account of Sinking Fund instalments Rs. 45.92 of repayment of Government Loans and advances from Special Funds, Rs. 57.96 on account of interest and Rs. .18 Bank and Miscellaneous Charges.

The sanctioned Budget Grant (Original) for 1946-47 was Rs. 508.44. The additional funds made available during year were Rs. 22.31 on account of renewed grants and Rs. 55.57 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 586.32. Against this, expenditure booked was Rs. 511.92 leaving a balance of Rs. 74.40 of which Rs. 49.53 is required to be renewed for expenditure during 1947-48, Rs. 24.87 being treated as savings on final sanctioned grants as detailed in Appendix No.4 of the Chief Accountant's Report.

Transfers from one budget head to another without affecting the total Budget provision for the year amounted to Rs. 25.48.

Main factors contributing to decreases over the final sanctioned grants are mentioned in para. 12 of the Chief Accountant's Report.

6. *Comparative statement showing the financial position of the last five years:—*

Year	Receipts	Expenditure.	Surplus	Deficit.
1942-43 ..	389.02(*a*)	364.65	24.37	
1943-44 ..	403.99(*b*)	390.96	13.03	
1944-45 ..	429.77(*c*)	412.95	16.82	
1945-46 ..	487.37(*d*)	493.13	..	5.76
1946-47 ..	536.81(*e*)	511.92	24.89	

(*a*) Includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous year, (*b*) includes Rs. 1.29 on account of interest on Net Premia Fund and Rs. .44 on account of excess accumulation in the Plant and Machinery Depreciation Fund, (*c*) includes Rs. 1.06 on account of interest on Net Premia Fund, (*d*) includes Rs. .85 on account of interest on Net Premia Fund, and (*e*) includes Rs. 1.46 on account of interest on Net Premia Fund.

7. *Liabilities and Assets of Revenue Account.*

LIABILITIES.

	Rs. a. p.	Rs. a. p.
1. Unpaid amounts of cash and cheque bills and bills for Stores—		
(*a*) Cash bills	38.276 14 0	
(*b*) Cheque bills	10,45,389 7 11	
(*c*) Stores (Reserve)	1,98,124 3 1	
(*d*) Stores (Capital)	60,825 11 0	
		13,42,616 4 0
2. Reserve for grants to be renewed for meeting outstanding charges for 1946-47 and previous years		49,52,732 0 0
3. Interest accrued but not paid		9,33,447 5 4
4. Reserve for contribution to Improvement Schemes account falling due in 1947-48..		30,86,302 0 0
5. Stock Adjustment Account		358 2 6
6. Deposits from contractors and private parties		2,03,19,818 1 3
7. Surplus Revenue Fund		89,83,547 9 2
Total Rs. ..		3,96,18,821 6 3

ASSETS.

					Rs.	a.	p.	Rs. a. p.
(1)	Cash—							
	A.—In current account with Imperial Bank of India ..				79,35,608	12	6	
	B.—On account of Municipal and Trust Loans interest warrants payable accounts—							
	1.—Imperial Bank of India—							
	(*a*) Municipal .. 90,577 11 10							
	(*b*) Trust .. 68,099 6 4							
			1,58,677	2	2			
	2. Hongkong and Shanghai Banking Corporation		9,228	15	4			
	3. The Chartered Bank of India, Australia and China (London)		400	0	0			
	4. The Imperial Bank of India (Calcutta) ..							
					1,68,306	1	6	
	C.—In Office Treasury				94,219	3	2	
	D.—Investments in fixed deposits and current accounts with different local Banks				53,43,310	14	1	
								1,35,41,444 15 3
(2)	Securities—							
	A.—With the Imperial Bank of India—							
	(*a*) Municipal Account ..	1,02,15,788	9	0				
		21,008	5	2				
	(*b*) Contractor's Account ..	21,83,800	0	0				
					1,24,20,596	14	2	
	B.—In Office—							
	(*a*) Contractor's Account				79,44,800	0	0	
								2,03,65,396 14 2
(3)	Stores, Stock, Advances, etc.—							
	(*a*) Due for stores sold							16,511 11 0
	(*b*) Stock of stores							12,16,640 3 11
	(*c*) Interest receivable							..
	(*d*) Advances—							
	(*i*) For Plant and Machinery							25,23,392 0 4
	(*ii*) Other advances recoverable							19,55,435 9 7
								3,96,18,821 6 3

Note.—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are excluded from the above statement and shown separately.

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY

8. *Special Funds.*—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called ' Fines Fund '.

The Position of the Special Funds as at 31st March 1947 was as under :—

Name of Fund.	Balance on 1-4-1946	Credits during the year.	Debits during the year.	Balance of Advances for Capital and other Works.	Balance in Cash and securities.	Balance on 31-3-47 (as per columns 5 and 6.)
1.	2.	3.	4.	5.	6.	7.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs a. p.
1. Municipal Fire and Accident Insurance Fund ...	12,82,285 15 8	59,388 2 0	246 0 0	3,51,771 11 0	9,89,656 6 8	13,41,428 1 8
2. Worn-out Water Mains Renewal Fund	1,860 14 3	60 8 6	.....	.....	1,921 6 9	1,921 6 9
3. Net Premia Fund	47,25,150 14 7	15,353 4 3	.....	18,46,444 14 6 (*a*)	28,94,059 4 4	47,40,504 2 10
4. Provident Fund	2,53,80,009 9 2	44,69,606 14 9	14,27,768 6 6	.....	2,84,21,848 1 5	2,84,21,848 1 5
5. Fines Fund	5,53,324 6 2	54,552 11 3	55,098 2 2	2,173 15 0 (*b*)	5,50,605 0 3	5,52,778 15 3
6. Plant and Machinery Depreciation Fund ...	17,95,174 6 9	52,354 15 0	1,70,950 13 0	9,63,434 2 11 (*c*)	7,13,144 5 10	16,76,578 8 9
7. Renewal of Road Surfaces Fund	28,65,177 5 5	1,57,072 2 3	2,04,243 3 0	7,62,680 15 0	20,55,325 5 8	28,18,006 4 8
8. Garden Fund	1,08,333 4 0	21,662 13 0	12,097 1 0	.....	1,17,899 0 0	1,17,899 0 0
9. Public Monuments Maintenance Fund... ...	1,70,630 13 0	1,339 1 0	.....	.....	1,71,969 14 0	1,71,969 14 0
10. Endowments Fund	4,49,690 2 8	17,012 8 6	42 1 0	.....	4,66,660 10 2	4,66,660 10 2
11. Hospital Fund	8,19,998 5 2	1 6,675 0 1	.....	.....	9,46,673 5 3	9,46,673 5 3
12. Land Sales Reserve Fund	14,90,585 9 5	4,773 5 0	4,96,154 7 0	10,39,204 7 5	.....	10,39,204 7 5
13. Slum Service Fund	1,80,617 4 3	5,507 10 0	7 2 0	.....	1,86,117 12 3	1,86,117 12 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	1,34,776 11 6	12,000 15 0	360 0 0	.....	1,46,417 10 6	1,46,417 10 6
15. G.S.M. College and K.E.M. Hospital Research Fund	84,702 9 11	24,119 7 3	2,673 12 0	.....	1,06,148 5 2	1,06,148 5 2
16. Pre-cast Concrete Slab Pavements Renewal Fund ...	66,172 0 0	18,379 0 0	.....	.....	84,551 0 0	84,551 0 0
17. Fidelity Guarantee Insurance Fund.	26,198 15 0	7,044 9 3	406 14 0	.....	32,836 10 3	32,836 10 3
18. Post War Reconstruction Fund ...	55,00,000 0 0	17,00,000 0 0	.....	.....	72,00,000 0 0	72,00,000 0 0
Total Rs. ...	... 4,56,34,689 2 11	67,86,902 15 1	23,70,047 13 8	49,65,710 1 10	4,50,85,834 2 6	5,00,51,544 4 4

Note:—The above statement includes items Nos. 4, 5, 9. 10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.
(*a*) includes Rs. 1,29,464—1—0 advanced for purchase of plant and machinery for the Municipal Printing Press. (*b*) includs Rs. 2,173-15-0 balance of amount advanced to Municipal employees under Corporation Resolution No. 15 of 9-4-1942. (*c*) Includes Rs. 42,355-5-0 advanced for purchase of plant and machinery and Rs. 12,220-10-11 for meeting expenditure on levelling metalling private street

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head	Budget 1946-47	Revised Estimates 1946-47.	Actuals 1946-47.	Difference between 3 and 4 (+ more) (— less.)
1	2	3	4	5
	Rs.	Rs.	Rs.	Rs.
Executed out of Loan Funds.				
General Supervision	2.5	.91	..	— .54
Water Works	[illegible]	31.69	15.98	—15.71
Education, Primary (Buildings)	1.0	1	...	— .11
Education, Secondary		.07	.02	— .05
Public Health	.01	.60	.01	— .59
Medical Relief and Education	.03	1.49	.50	— .99
Street Cleansing and Conservancy	1.21	2.33	.10	- 2.23
Roads, Drains and Sewers	33.17	33.23	6.60	—26.93
Mechanical	2.09	1.49	.47	— 1.02
Buildings, Land Acquisition	3.21	1.76	.44	— 1.32
Fire Brigade	..	.65	...	— .65
Gardens and Open Spaces	.10	...	...	...
Markets	6.49	2.12	.12	— 2.00
Slum Service	3.91	2.13	.74	— 1.39
Measures for Civil Defence	...	1.27	.22	— 1.05
Discount and other charges on Loans	2.51	1.18	.53	— .65
Plant and Machinery	..	4.73	.54	— 4.19
Repayment of advance taken from Land Sales Reserve Fund	7.50	6.00	...	— 6.00
Total Rs.	78.70	91.69	26.27	—65.42
Executed out of Trust Fund	.10	.23	.06	— .17
Worn Out Water Mains Renewal Fund	..	..	...	...
Total Rs.	78.80	91.92	26.33	—65.59

Remarks.—(1) The Budget of Rs. 78.80 included Rs. 2.59 on account of Discount and other charges on the new loan and Rs. 7.50 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 91.92 included Rs. 1.18 on account of discount and other charges on the new loan, Rs. 4.73 on account of purchase of new plant and machinery and Rs. 6.00 for repayment of advance taken from the Land Sales Reserve Fund.

(3) The gross figure of actual expenditure for the year Rs. 26.33 + 00.79 written off = Rs. 27.12 includes Rs. .53 on account of discount and other charges on loan. The actuals fell short of the Budget (Rs. 78.80) by Rs. 52.47 and of the Revised Estimates (Rs. 91.92) by Rs. 65.59).

10. *Progressive Capital Outlay not charged to Revenue upto the end of 1946-47.*

Service Head.	Expenditure upto 1945-46.	Expenditure during 1946-47.	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I.—General Supervision	20.44	...	20.44
II.—Water Works	1,012.10	15.98	1,028.08
III.—Education Primary	27.92	...	27.92
IV.—Education Secondary	.18	.02	.20
V.—Public Health	16.54	.01	16.55
VI.—Medical Relief	82.53	.50	83.03
VII.—Street Cleansing and Conservancy	91.21	.10	91.31
VIII.—Roads, Drains and Sewers	733.37	6.60	785.97
IX.—Mechanical	32.52	.47	32.99
X.—Buildings, Land Acquisition and Management	428.91	.44	429.35
XI.—Fire Brigade	13.56	...	13.56
XIII.—Gardens	36.77	...	36.77
XIV.—Markets and Slaughter Houses	82.40	.12	82.52
XV.—Slum Service	7.03	.74	7.77
XVI.—Measures for Civil Defence	1.67	.22	1.89
Discount and Other Charges on loans	5.57	.53	6.10
Plant and Machinery	5.75	.54	6.29
Total Rs.	2,645.47	26.27	2,671.74
Executed out of Trust Fund	42.97	.06	43.03
Executed out of Worn-out Water Mains Renewal Fund	9.63	...	9.63
Executed out of Buildings Fund	43.03	...	43.03
Total Rs.	2,741.10	26.33	2,767.43

The Capital Fund Balance Sheet exhibits, on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets Side by expenditure incurred to date and balance of securities and cash (*vide* Appendix No. 7 of the Chief Accountant's Report).

The expenditure of Rs. 2,671.74 out of the Loan Funds shown therein includes Rs. 70.11 on account of interest paid on Capital (Development Loan) and Rs. 20.27 paid as subventions to house owners. The following are the sources from which this expenditure has been financed.

(1) Loans from Public, Government and Special Funds:—

		Rs.	Rs.
	(*a*) Debt outstanding as per Chief Accountant's Report	1,255.12	
	(*b*) Loans repaid for which credit is given to Loan Redemption Fund ..	1,276.63	
			2,531.75
(2)	Premia on Loans		3.21
(3)	Contributions from Special Funds		8.03
(4)	Do. Bai Jerbai Wadia Children's Home		7.00
(5)	Do. Revenue for Loan Works Establishment		.18
(6)	Do. G. I. P. Railway		3.74
(7)	Do. B. P. T. for Works Establishment		1.56
(8)	Do. Government for School Buildings :		5.00
(9)	Do. Development Fund		134.32
(10)	Do. Government for widening the Love Grove Bridge		.92
	Total Rs. ..		2,695.71
	Less—Assets written off		10.32*
			2,685.39
	Expenditure upto 31st March 1947	2,671.74	
	Balance (Rs. 13,64,890-0-1)	13.65	
			2,685.39

* The amount of Rs. 10.32 includes Rs. .54 and Rs.. 25 written off during the year on account of plant and Machinery and subventions to house owners respectively.

11. *The position of Loan Funds as estimated in the Revised Budget for* 1946-47 *and as revealed by the actuals was as under*:—

Loan Funds.	As per Revised Estimate. 1946-47.	As per Actuals. 1946-47.
	Rs.	Rs.
Opening balance on 1st April 1946.	8.72	8.72
Balance of loan for 1945-46 and new Loan Raised in 1946-47	74.00	35.00
Advance from Special Funds for purchase of plant and machinery, etc. ..	8.27	1.50
Total Rs. ..	90.99	45.22
Less—Repayment of advance from Land Sales Reserve Fund.	6.00	4.51
Expenditure	85.69	27.06
	91.69	31.57
Deficit— Surplus+	—.70	+13.65

Trust Fund Balance.

The balance in the Trust Fund namely Rs. .73 was made up of the following:—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for Construction of a Primary School Building.	.61
(2) Donation from Citizens' Emergency Relief Committee	.12
Total Rs. ..	.73

12. *Debt Position.*

	Outstanding debt on 1st April 1946.	Loans raised during the year.	Loans repaid during the year.	Balance on 31st March 1947.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans.	424.76	..	44.09	380.67(*a*)
(2) Public Loans.	817.63	35.00	25.97	826.66
(3) Internal advances from Special Funds.	52.64	1.50	6.35	47.79
Total ..	1295.03	36.50	76.41	1255.12

(*a*) Includes Rs. 5.84 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 36.50. Of this Rs. 35.00 were raised by issue of debentures reserved for the investments of the Sinking and the Special Funds and Rs. 1.50 were taken as advance from the Municipal Special Funds. Amount repaid during the year was Rs. 76.41. Of this Rs. 44.9 were repaid from the current Revenue as annual equated instalments in respect of advances taken from Government; Rs. 6.35 were repaid in respect of advances from Municipal Special Funds (Rs. 1.84 from Revenue and Rs. 4.51 from Capital Receipts, and Rs. 25.97 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 39.91.

13. *The following are the Figures of outstanding debt, accumulations of Sinking Fund there against and the debt charges paid out of revenue for the last five years:—*

Year.	Debt outstanding.	Sinking Fund accumulations.	Net Debt. *	Debt charges.
	Rs.	Rs.	Rs.	Rs.
1942-43 ..	1460.73	326.11	1134.62	125.66
1943-44 ..	1406.87	332.84	1074.03	124.58
1944-45 ..	1379.18	365.29	1013.89	124.89
1945-46 ..	1295.03	339.88	955.15	124.41
1946-47 ..	1255.12	347.48	907.64	123.57

14. *Position of Sinking Fund.*

Balance on 1st April 1946.	Instalments paid during the year.	Interest earned on securities.	*Less*-Amount utilised for repayment of loans.	Balance at book value of securities on 31st March 1947.
Rs.	Rs.	Rs.	Rs.	Rs.
339.88	19.51	14.06	25.97	347.48

At the book value of securities, the Fund stood at Rs. 347.48 valuing the Government and other public securities at Market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 371.97. Adding to this the accrued proportions of interest (not due) on securities held in the fund as on 31st March 1947, amounting to Rs. 2.73 the total amount comes to Rs. 374.70. Against this the amount of the theoretical valuation of the fund was Rs. 344.77.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory.*—The nominal budget deficit of Rs. 1.66 came down to Rs. .62 on the actual closing of the accounts for the year. The collections of revenue and realisation of interest as also the actual expenditure was more by Rs. 1.74 and .70 respectively than those budgeted for. The working of the year resulted in the excess expenditure over receipts by Rs. .62 which was transferred to the Capital Account. In addition the liabilities outstanding in respect of the renewed grants were Rs. 7.05.

2. *Summary of Revenue transactions for the year.*

	Actuals for 1945-46.	Budget 1946-47.	Revised 1946-47.	Actuals 1946-47
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts	100.96	101.96	104.73	103.70
Expenditure	102.04	103.62	114.54	104.32
Surplus + Deficit —	—1.08	—1.66	—9.81	—0.62

3. *The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous years:—*

Head.	Budget 1945-47.	Actuals 1945-47.	Increase or decrease over Budget (+) (—) 1946-47.	Actuals 1945-46.	Increase or decrease in actuals for 1946-4 as compared with those for 1945-46 (+) (—)
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties	53.47	60.15	— 1.68	60.27	— .12
(2) Contributions from the Corporation under Section 125(2) of the Municipal Act	29.31	30.00	+ .69	28.36	+ 1.64
(3) Receipts on account of tobacco duty	10.00	8.60	— 1.40	7.52	+ 1.08
(4) Interest and Profits on investments	3.85	4.66	+ 0.81	4.34	+ 0.32
(5) Miscellaneous Receipts	.33	.29	— .04	.47	— 0.18
Total Rs. ...	101.96	103.70	+ 1.74	100.96	+ 2.74

4. *The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year :—*

Head.	Final sanctioned grants 1946-47.	Actuals 1946-47.	Increase or decrease over final sanctioned grants 1946-47.	Actuals 1945-46.	Increase or decrease in actuals for 1946-47 as compared with those for 1945-46 (+) plus (—) less.
	Rs.	R.s	Rs.	Rs.	Rs.
A —Maintenance of Properties and Streets	40.55	27.73	—12.82	24.41	+ 3.32
B.—Cost of Management and Establishment	14.46	12.51	— 1.95	10.72	+ 1.79
C —Proportionate charges on account of Municipal Supervision	2.36	1.25	— 1.11	.87	+ 0.38
Total—B and C ...	16.82	13.76	— 3.06	11.59	+ 2.17
Deduct—Charged to Capital Account and General Account ...	16.82	13.76	— 3.06	11.59	+ 2.17
Total ...	...	...	...	...	...
D —Debt Charges	78.31	76.59	— 1.72	77.63	— 1.04
Total ...	118.86	104.32	—14.54	102.04	+ 2.28

		Rs.
The final sanctioned grants were Rs. 118.86 comprising of :—		
Original Budget Grant		103.62
Renewed Grants		6.61
Additional Grants		8.62
Transfers—		
Additions	.44	
Deductions	.43	.01
Total Rs. ..		118.86

Against the final sanctioned grant of Rs. 118.86 the expenditure incurred was Rs. 104.32 leaving a blance of Rs. 14.54 out of which a sum of Rs. 7.05 is required to be renewed for expenditure during 1947-48.

5. *Comparative statement showing the financial position of the last five years is given hereunder :—*

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	R.s	Rs.
1942-43 ..	87.28	103.48	..	16.20
1943-44 ..	95.45	97.95	..	2.50
1944-45 ..	102.00	99.52	2.48	..
1945-46 ..	100.96	102.04	..	1.08
1946-47 ..	103.70	104.32	..	.62

6. *Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department :—*

	Demand including arrears.	Recoveries including adjustments.	Write-off	Arrears at the cost of the year.	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Permanent ..	36.55	31.93	..	4.61	12.63
(2) Temporary ..	42.08	28.51	.22	14.99*	35.63

* This includes Rs. 9.78,683 due from Government of India.

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements)

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1946-47.	Revised Estimates 1946-47.	Actuals 1946-47.	Difference between 3 and 4 More (+) or less (—).
(1)	(2)	(3)	(4)	(5)
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes	41.13	19.11	2.60	—16.51
(2) Miscellaneous	1.00	.50	..	— .50
(3) Discount and other Charges on Loans ..	..	..	..	..
(4) Cost of Management, etc.	4.66	2.29	.80	— 1.49
(5) Repayment of Loans	..	.55	.30	— .25
(6) Revenue Deficit	1.67	9.81	.62	— 9.19
Total ..	48.46	32.26	4.32	—27.94

Remarks.—The actuals fell short of the revised estimates by 86.61 per cent.

8. *Progressive Capital outlay not charged to Revenue upto the end of* 1946-47.

Service Head.	Expenditure upto 1945-46.	Expenditure during 1946-47.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes	1,779.54	3.40	1,782.94
Police Accommodation Schemes	91.85	..	91.85
Mill Company's Chawl Schemes	9.46	..	9.46
Miscellaneous	8.63	..	8.63
Discount on Loans and Expenses	14.65	..	14.65
Total ..	1,904.13	3.40	1,907.53*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule "W" and "X".

The expenditure of Rs. 1907.53 and the net revenue deficits amounting to Rs. 194.82 total Rs. 2102.35 has been financed from the following sources:—

	Rs.	Rs.
(1) Loans from Public and Government—		
(a) Debt outstanding as on 31st March 1947	1571.77	
(b) Loans repaid for which credit is given to Loans Redemption Fund ..	66.92	
		1638.69
(2) Extraordinary receipts transferred from S. F. accumulations		25.08
(3) Special Grants from Government of India		54.00
(4) Premia on Loan (1936-37)		.30
(5) Sale proceeds of Land and Buildings		555.08
		2273.15
Less—		
Expenditure on Schemes	1907.53	
Revenue Deficits	194.82	
	2102.35	
Balance in Cash and Securities	170.80	
		2273.15

9. *The State of Capital Account was as under*:—

Balance on 1st April 1946		154.13
Receipts from sale of land		20.99
Surplus of General Account		..
		175.12
Less—		
Expenditure on Improvement Schemes Account	3.40	
Repayment of Loan	.30	
Deficits in General Account	.62	
		4.32
Balance on 31st March 1947		170.80

10. *Debt Position.*

	Outstanding debt on 1st April 1946.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1947.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ..	843.19	..	5.61	837.58*
(2) Public Loans ..	734.49	..	.30	734.19
Total ..	1577.68	..	5.91	1571.77

* Out of Rs. 837.58 outstanding Government Loans, Debentures of the face value of Rs. 300.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 5.61 was repaid to Government in respect of advances taken from them out of the Current Revenue and Rs. .30 to the public in respect of the loan of 1929 from the Capital Fund.

11. *The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years:—*

Year.	Debt outstanding. Rs.	Sinking Fund accumulations. Rs.	Net Debt. Rs.	Debt Charges Rs.
	Rs.	Rs.	R.	Rs.
1942-43 ..	1617.89	310.39	1307.50	79.62
1943-44 ..	1612.81	330.20	1282.61	79.48
1944-45 ..	1583.66	348.66	1235.00	78.13
1945-46 ..	1577.68	370.01	1207.67	77.64
1946-47 ..	1571.77	392.30	1179.47	76.60

12. *Position of Sinking Fund.*

Balance on 1st April 1946.	Instalments paid during the year.	Interest earned on securities.	*Less*—Amount utilised for repayment of Loans.	Balance at book value of securities on 31st March 1947.
Rs.	Rs.	Rs.	Rs.	Rs.
370.01	5.70	16.59	..	392.30

At the book value of securities, the Fund stood at Rs. 392.30. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Dbeentures at par the accumulations in the Fund work out to Rs. 395.99. Adding to this accrued proportions of interest (not due) on the Securities held in the Fund as on 31st March 1947, amounting to Rs. 1.30 the total amount comes to Rs. 397.29. Against this the theoretical valuation of the Fund was Rs. 336.31.

13. *Statement showing balances in cash and securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities. Face Value.	Securities. Book Value.	Total.
I.—Municipal Accounts (Proper)	Rs. a. p.	Rs.	Rs. a. p.	Rs. ps. as.
(1) Revenue Account (including balances of deposits and Suspense Heads	1,35,41,444 15 3	2,02,36,600(2)	2,03,65,396 14 2 (3) (1)	3,39,06,841 13 5
(2) Special Funds Accounts	75,31,388 12 9	3,88,63,200	3,75,54,445 5 9	4,50,85,834 2 6
(3) Capital Account				
(a) Loan Funds ... Rs. a. p. 13,64,890 1 1				
(b) Trust Fund ... 73,166 5 4				
14,38,056 6 5	153 14 5	14'39,200	14,37,902 8 0	14,38,056 6 5
(c) Sinking Fund (Municial) ...	166 2 7	3,60,30,900 £ 25,000	3,47,48,087 6 8	3,47,48,253 9 3
II.—Improvement Schemes (Accounts)				
(1) Capital Account	1,11,52,730 7 10	59,27,400	59,27,441 6 0	1,70,80,171 13 10
(2) Sinking Fund Account	183 5 2	3,82,16,700 £ 90,800	3,92,29,601 3 0	3,92,29,784 8 2
Total ...	3,22,25,067 10 0	14,07,14,000 £ 1,15,800	13,92,62,874 11 7	17,14,88,942 5 7

(1) This includes investment of Rs. 21,008-5-2 in securities of the face value of Rs. 22,400 on Lessee's Account, the securities for which are included in the Contractor's securities with the Bank.

(2) & (3) These include the amount of Rs. 60,65,100 invested in securities out of Surplus Funds and Rs. 12,34,900 out of 54 lakhs loan Thus the figure of Rs. 73 lakhs appear twice over under the account head "Securities in Office" and "Securities with the "Imperial Bank" together with their cost value.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1947.*

	Rs.	a.	p.
(a) Cash in Office Treasury. ...	94,219	3	2
(b) Securities in Office Treasury ...	79,44,800	0	0
Total (a) and (b) Rs. ...	80,39,019	3	2
(c) Balance as per Pass Book. ...	81,78,909	9	0
Add—Cheques paid into the Bank on 31st March 1947 to be realised on 1st April 1947 ...	1,47,079	12	0
Rs. ...	83,25,989	5	0
Deduct—Amount of cheques delivered but not presented for payment ...	3,90,380	8	6
Total (c) Rs.	79,35,608	12	6
Grand total (a), (b) and (c) Rs. ...	1,59,74,627	15	8

15. The amounts of Cash and Securities belonging to different Municipal and Improvements Accounts were as under :—

(1). *Cash.*

(A) In the Current Accounts, Interest Accounts and Fixed Deposits with the following Banks :—

Name of Bank	Current accounts and interest accounts.	Fixed deposits.	Total.
(1) The Imperial Bank of India—	Rs. a. p.	Rs.	Rs. a. p.
(a) General Fund Account (See Bank Pass Book Reconciliation) ...	73,35,608 12 6	...	73,35,608 12 6
(b) Interest Warrants Payable Accounts— (i) Municipal Loans ...	90,577 11 10	...	90,577 11 10
(ii) Improvement Schemes Loans ...	68,099 6 4	...	68,099 6 4
(c) Current Deposit Account in respect of Sinking, Special, Surplus and Loans Funds.	5,543 7 4	...	5,543 7 4
(2) Hongkong and Shanghai Banking Corporation. (Interest on B.I. Trust Loans Payable Account).	9,228 15 4	...	9,228 15 4
(3) The Chartered Bank of India, Australia and China. (Interest on B.I. Trust Loans Payable Account).	400 0 0	...	400 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures.	...	...	...
(5) The Chartered Bank of India, Australia and China ...	2,99,172 4 3	...	2,99,172 4 3
(6) The National Bank of India ...	95,784 13 3	10,00,000	10,95,784 13 3
(7) Lloyd's Bank, Ltd. ...	99,359 2 4	...	99,359 2 4
(8) The Central Bank of India, Ltd. ...	7,94,794 6 1	60,00,000	67,94,794 6 1
(9) The Mercantile Bank of India, Ltd. ...	6,98,419 14 0	...	6,98,419 14 0
(10) Allahabad Bank, Ltd. ...	2,48,888 8 0	22,00,000	24,48,888 8 0
(11) Eastern Bank, Ltd. ...	3,98,103 7 0	14,00,000	17,98,103 7 0
(12) The Bank of India, Ltd. ...	97,723 0 7	48,00,000	48,97,723 0 7
(13) The Bombay Provincial Co-operative Bank, Ltd. ...	98,020 13 0	10,00,000	10,98,020 13 0
(14) Union Bank of India, Ltd. ...	2,96,791 7 0	...	2,96,791 7 0
(15) The Bank of Baroda, Ltd. ...	4,97,160 10 0	25,00,000	29,97,160 10 0
(16) Comptoir National D' Escompte de Paris ...	...	5,00,000	5,00,000 0 0
(17) Indian Bank Ltd. ...	4,99,435 11 0	...	4,99,435 11 0
(18) Punjab National Bank Ltd. ...	4,98,736 1 0	...	4,98,736 1 0
Total (A) Rs. ...	1,27,31,848 6 10	1,94,00,000	3,21,31,848 6 10
(B) In Office Treasury			94219 3 2
Total Cash Rs. ...	1,27,31,848 6 10	1,94,00,000	3,22,26,067 10 0

(2) Securities.	Face Value. Rs.
(a) *In Office Treasury*	79,44,800
(b) (I) *With the Imperial Bank of India*—	
(i) Municipal Corporation of the City of Bombay Securities Account	7,89,59,100 (£ 25,000)
(ii) Municipal Corporation of the City of Bombay Securities Accounts, "A", "B" and "C" ...	4,24,03,900
(iii) Municipal Corporation of the City of Bombay	21,83,800
(II) With the Chartered Bank of India, Australia and China (Bombay)	£ 20,800
(III) With the Chartered Bank of India, Australia and China (London)	£ 70,000
Total as per certificates ... Rs.	13,14,91,600 (£ 1,15,800)
(c) Debentures with the Government of Bombay for the amount of Rs. 19 lakhs repaid to them on 31st March 1947 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 9th May 1947) ...	19,00,000
Rs. ...	13,33,91,600
£ ...	1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with the Bank Pass Books and Banks' certificates and found in order.

(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in the safe custody of the Chief Accountant and found in order.

(*c*) Cash in Office Treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.

(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(Town Council Resolution No. 1455, dated the 6th October 1879).

A reference is invited to separate letter No. M.C.A. 3566/IV, dated the 15th November 1947, addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding bills of Rates and Taxes and Riot Tax on 31st March 1947.

(4) *Account of Water-marked Paper.*

The account of water-marked paper held in the safe cutsoty of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,
BOMBAY, *15th November* 1947.

R. C. MEHTA,
Municipal Chief Auditor.

Appendix 'A.'

Statement of Charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1946-1947.

Sanctioning Authority	No. and Date of sanction	Particulars of Charges	Amount. Rs. a. p.
Municipal Commissioner	SR 8777 / 7-8-1946	Travelling Allowance Bill in favour of Acting Municipal Commissioner Mr. N. V. Modak	62 5 0
Corporation	396 / 8-7-1946	Travelling charges in favour of the Hydraulic Engineer and City Engineer to attend the Jubilee Session of the Institution of Engineers, (India), Ltd.	H.E. 343 14 0 C.E. 243 14 0
Standing Committee ..	714 / 7-8-1946	Honorarium to Havildar Sayed Abbas Bhiwan for his gallant conduct on 22nd February 1946 in preventing a mob of 200 people trying to set the Municipal Ward Office Building at Cumma Bacher Street on fire.	100 0 0
Municipal Commissioner ..	CESR. 9087 / 9-11-1946	Cost incurred by Mr. B. J. Rane, Clerk Love Grove Pumping Station in Court case against him for alleged insult and assault on fitter Rasul Abdul of the same office.	80 0 0
Corporation	526 / 2-8-1946	Payment of compensation to certain employees of the Sea Green Hotel at Marine Drive for loss of wages suffered by them during the period of their detention for medical examination for suspected cases of infantile Paralysis. (Rs. 373-9-0 plus Rs. 155-8-0).	529 1 0
Standing Committee ...	909 / 11-9-1946	Reward to Inspector and Peons of the Market Staff for seizing contraband meat car at Dharavi.	215 0 0
Deputy Municipal Commissioner.	S.R./7285 / 17-7-1946	Hire charges of 8 doz. chairs, 6 doz. desks from Bombay University for Head Clerks and Deputy Superintendents' Examination.	116 5 0
Do. do. ...	Do.	Bill from the Mechanical Engineer's Deparment to carry the above furniture from and to the Bombay University.	20 0 0
Do. do. ...	H/6517/SR / 19-10-1946	The Mechanical Engineer's Bill in connection with a Cinema Show at Sports Club.	50 6 0
Municipal Commissioner ...	B/296(7) / 2-1-1947	Expenditure incurred by the members of the Works Committee who visited Tansa.	14 14 0
Do. do. ...	HE/A/874(2) / 8-3-1946	Charges in connection with the visit of the members of the Works Committee to Tansa on 3-2-1946—	
		(1) Messrs. B. Tambe, Ltd., for catering arrangement ...	80 0 0
		(2) The Municipal Secretary's bill for expenses incurred by him for Cigarettes, etc.	17 4 6
		(3) Expenses incurred by the Hydraulic Engineer for sugar, meals, etc.	8 6 6
Deputy Municipal Commissioner.	SR/8746 / 29-10-1946	Cost of petrol required for cars by which party with the Municipal Commissioner went to Poona to discuss with the Government the proposal to take over the B. E. S. & T. Co., Ltd.	52 0 6
Do. do. ...	SR/8263 / 12-9-1946	Charges incurred by the Party accompanying His Worship the Mayor of Bombay for Joint Conference with Government in connection with the taking over of the B. E. S. & T. Co., Ltd., by the Corporation.	79 11 0
Municipal Commissioner ...	... / 27-11-1946	Test Audit Officer's (Printing) bill for Printing papers for Head Clerks' Examination.	43 15 0
Deputy Municipal Commissioner.	... / 27-5-1946	Test Audit Officer's (Printing) bill for stationery, etc., for Head Clerks' Examination held in 1945.	12 14 0
Municipal Commissioner ...	... / 10-11-1946	Test Audit Officer's (Printing) bill for printing Answer Papers and supplementary papers for the Head Clerks' Examination.	82 0 0
Do. do. ...	CESR/545 / 8-5-1946	Payment to the Honorary General Secretary, Municipal Kamgar Sangh, being the Conveyance charges incurred by the Kamgar Officials to call back the strike as agreed by the Municipality.	55 2 0
Do. do. ...	... / 27-11-1946	To B. K. Patel, Esqr., for travelling charges from Delhi to Bombay ...	378 3 6
Do. do. ...	Do.	To the Accountant General, Bombay for the advance given to B. K. Patel, Esqr., for his journey from Delhi to Bombay.	1,000 0 0
Standing Committee ...	157 / 1-5-1947	Payment of Mr. V. D. Padhye, Ex-gracia payment to withdraw suit No. 1005 of 1944.	300 0 0
Corporation	755 / 17-12-1945	Payment of Mr. Y. N. Kotwal for expenses in connection with his attendance at the 33rd Session of the Indian Science Congress at Patna.	95 8 0
Corporation	1267 / 27-1-1947	To N. V. Modak, Esqr., for attending the Session of Indian Roads Congress at Trivendram in February 1947.	341 15 0
		Total ...	4,322 11 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1946-47.

(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-keeper.			
	Opening Balance.	Receipts.	Total.	Issues.	Closing Balance.	Opening Balance.	Receipts.	Issues.	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
General Stores ...	8,93,534 1 3	12,84,171 10 9	21,77,705 12 0	13,43,459 2 7	8,34,246 9 5	7,04,798 1 8	13,44,367 12 3	14,05,417 9 6	6,43,748 4 5
General Stores, Surplus Obsolete	...	...	...	...	...	...	...	...	...
Line Suspense Account ...	77,925 6 3	...	77,925 6 3	864 5 0	77,061 1 3	77,925 6 3	...	1,032 3 0	76,893 3 3
Line Suspense Account Surplus and Obsolete ...	...	...	...	...	...	...	...	...	...
Capital Stores ...	2,95,843 15 3	4,21,815 4 0	7,17,659 3 3	4,12,326 0 0	3,05,332 9 3	2,55,585 14 3	4,24,267 11 3	4,39,878 4 0	2,39,975 5 6
Total Rs....	12,67,303 6 9	17,05,986 14 9	29,73,290 5 6	17,56,650 1 7	12,16,640 3 11	10,38,309 6 2	17,68,635 7 6	18,46,328 0 6	9,60,616 13 2
						Balance as per column 6		...	12,16,640 3 11
						Difference (*a*)		...	2,56,023 6 9

(*a*) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 2,56,023-6-9 against the grants of the different departments *Remarks.*—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE 11.

Report on the Schools Committee's Accounts.

(*Note.*—The figures in this report are in lakhs of Rupees unless otherwise expressly stated).

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee, including renewed and additional grants, aggregated to Rs. 71.48. Against this the actual contribution paid to the Schools Committee amounted to Rs. 69.29. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this a sum of Rs. 24,679-4-9 being the amount of unspent balance of contribution drawn by the Schools Committee for 1946-47 was held by the Schools Committee as on 31st March 1947. The sum of Rs. 24,679-4-9 is treated as an advance to the Schools Committee in the accounts of the Municipal General Fund for 1946-47.

2. *Summary of Receipts and Payments for the year*:—

Particulars.	Actuals 1945-46.	Budget 1946-47.	Revised 1946-47.	Actuals 1946-47.
	Rs.	Rs.	Rs.	Rs.
(1) Receipts (inclusive of opening balance) ..	60.62	64.30	65.79	69.80
(2) Payments	60.42	64.10	65.59	69.60
(3) Balance	.20	.20	.20	.20
(4) Minimum Cash Balance	.20	.20	.20	.20

Lapsed Grants.—The amount of lapsed grants estimated to be renewed during the year 1947-48 aggregated to Rs. 1.40. The amout of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt Charges, New Works, Medical Inspection of School Children, supply of milk to undernourished needy children attending Municipal Schools, etc., amounted to Rs. 3.57, which when added to the sum of Rs. 69.60 brings the total expenditure on Primary Education of the City to Rs. 73.17.

3. *The following is a summary of receipts under different heads*:—

	Rs.
Contribution from Municipal General Fund	69.29
Fees from Municipal Schools	.23
Interest on Endowment and Trust Funds	.05
Miscellaneous Receipts	.03
Total Rs. ..	69.60

4. *The following statement gives transactions of the Schools Committee's Accounts for the last five years*:—

Year.	Receipts including opening balance.	Expenditure.	Closing Balance.
	Rs.	R.s	Rs.
1942-43	42.04	41.84	.20
1943-44	47.00	46.80	.20
1944-45	53.30	53.10	.20
1945-46	60.62	60.42	.20
1946-47	69.80	69.60	.20

5. *The total assets and liabilitises of the School Fund on 31st March 1947 as shown in the Balance Sheet were as under*:—

ASSETS.	Rs.	a.	p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of the face value of Rs. 2,30,800	2,30,229	5	6
2. Advances and deposits recoverable—			
(*a*) Advances to Officers .. .. .. Rs. 694 0 0			
(*b*) Advances to Teachers 3,972 14 0			
(*c*) Deposit with the Garrison Engineer for water charges .. 5 0 0	4,671	14	0
3. Cash Balances—			
(*a*) With the Imperial Bank of India 1,33,078 9 8			
(*b*) In Office Treasury 2,195 3 9	1,35,273	13	5
Total Rs. ..	3,70,175	0	11

LIABILITIES.

		Rs.	a.	p.
1.	Advance from the Chief Accountant on account of the unspent balance of Municipal contribution held in the School Fund	24,679	4	9
2.	Sundry Deposits:—			
	(*a*) Unclaimed wages for Schools and Office .. Rs. 28,478 8 0			
	(*b*) Miscellaneous Deposits 39.713 9 9			
	(*c*) Unclaimed Rent 5,090 2 0			
	(*d*) From Contractors 2,725 0 0			
	(*e*) Schools Committee's Employees' Co-operative Credit Society 2,541 3 0			
	(*f*) Income-Tax Recoveries 33 12 0			
	(*g*) Court Attachment Recoveries 43 0 0			
	(*h*) Rent Recoveries (E.A. & L.M.) 14 6 0			
		78,639	8	9
3.	Trust Scholarship and Prize Funds—			
	(*a*) Investments of the face value of Rs. 2,30,800 .. 2,30,229 5 6			
	(*b*) Cash 16,626 13 11			
		2,46,856	3	5
4.	Statutory Balance	20,000	0	0
	Total Rs. ..	3,70,175	0	11

The Cash balance with the Schools Committee on 31st March 1947 on account of the Municipal contribution drawn in excess during the year was Rs. 24,679-4-9, in addition to the statutory cash balance of Rs. 20,000. It is not intended to allow such large amounts to remain in the School Fund Account. It is not difficult to make an account of the approximate cash balance left with the Schools Committee in the last week of the year and hand over back the excess to the Chief Accountant on 31st March of the year. The Secretary, Schools Committee and the Chief Accountant should see that such an account is made up in future and the excess is recouped to the Municipal Fund on the last day of each year.

6. *Fees from Training Institutions.*—Fees amounting to Rs. 115 recovered from teachers of the Suburban Schools admitted into the Training Classes have been taken in the Income and Expenditure Account as refund of expenditure instead of showing the same on the Receipts Side.

7. *Provident Fund.*—The net liability on account of Provident Fund as shown by the individual accounts of the subscribers prepared by the Schools Committee's Office, *viz.*, Rs. 76,33,092-12-0 agreed with the invested balances as shown in Appendix No. 6 of the Chief Accountant's report as follows:—

			Rs.	a.	p.
Balance on 1st April 1946 on acccount of Schools Committee's Employees ..			70,37,398	5	0
Add—		Rs. a. p.			
(1)	Receipts on account of subscriptions and contributions during 1946-47	6,31,819 8 0			
Less—					
	Payments on account of subscriptions and contributions in respect of Schools Committee's Employees ..	2,28,761 5 0			
		4,03,058 3 0			
(2)	Interest allowed on provident fund accounts of the Schools Committee's Employees	3,11,672 7 0			
	Less—Payment during the year ..	1,19,036 3 0			
		1,92,636 4 0			
			5,95,694	7	0
	Total Rs. ..		76,33,092	12	0

8. During the year a sum of Rs. 286-13-3 on account of excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, etc., covering 19 cases was recovered from the members of the staff and the parties concerned. Various other omissions and inaccuracies were detected in the course of test audit, some of which have been got rectified and others are under correspondence. As stated in the previous audit reports, more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is necessary.

9. Government grant received during the year was Rs. 9,74,890 as under:—

		Rs.
(1)	Grant for 1946-47 for Primary Education	9,45,000
(2)	Grant for paying grant-in-aid to Primary Departments of English Teaching Schools for 1946-47	27,585
(3)	Additional grant on account of less payment in 1945-46	2,305
	Total Rs. ..	9,74,890

In addition to the above, the Government grant of Rs. 1,000 for the Rahimtulla Currimbhoy Training Institute for Women was received by the School Committe's Office in the month of March 1947, and forwarded to the Chief Accountant in 1947-48.

As pointed out in the previous audit reports estimated rent for schools located in the buildings built at Municipal cost or donated by public is not assessed and charged to the School Fund and consequently it is not included in the figures of cost of Primary Education given by the Schools Committee in their statement of accounts. (*Vide* Standing Committee Resolution No. 640, dated the 15th August 1945).

10. Arrears of School Fees on 31st March 1947 as certified by the Secretary, Schools Committee, were Rs. 9,494-4-0.

11. The cash balance of Rs. 2,195-3-9 was counted and found correct. The reconciled balance in the Bank as per Cash Book, *viz.*, Rs. 1,33,078-9-8 was examined with the bank statements and certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1945-46 and 1946-47 and detailed audit remarks on the Schools Committee's Accounts are appended hereto and marked respectively Appendix 'A' and Appendix 'B'.

14. Appendix 'C' gives month by month the position of the number of teachers to pupils. The figures have been supplied by the Secretary, Schools Committee.

MUNICIPAL OFFICES,
BOMBAY, *15th November 1947.*

R. C. MEHTA,
Municipal Chief Auditor.

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY

APPENDIX 'A'

Comparative statement showing the expenditure incurred by the Schools Committee during 1945-46 and 1946-47.

Particulars.	Expenditure.		Increase.	Decrease.
	1945-46.	1946-47.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Head Masters and Teachers ...	28 67,018 2 9	31,36,691 11 3*	2,69,673 8 6	.....
Servants ...	2,77,748 8 0	3,72,863 9 0	95,115 1 0	.....
Rents ...	5,56,290 11 4	5,65,160 11 10	8,870 0 6	.....
Class Books for Teachers ...	5,632 7 6	7,625 8 3	1,933 0 9	.....
School furniture ...	5,602 3 0	3,476 12 0	.....	2,125 7 0
Prizes ...	4 8 0	.....	.....	4 8 0
School Contingencies ...	32,217 11 3	39,847 15 3	7,630 4 0	.....
Scholarships ...	5,271 14 0	16,483 6 0	11,211 8 0	.....
Special Expenses in Schools and Magazines for Schools ...	50,494 14 9	33,411 15 6	.....	17,082 15 3
Sewing and Drawing ...	9,618 0 0	8,470 3 10	.....	1,147 12 2
Uniforms and Umbrellas ...	1,949 3 0	18,099 15 0	16,150 12 0	.....
Printing and Stationery ...	16,120 10 0	47,314 9 0	31,193 15 0	.....
Miscellaneous Expenses ...	11,925 15 0	13,116 7 9	1,190 8 9	.....
Sports ...	650 12 9	.....	.....	650 12 9
Local Committees ...	846 2 3	798 10 3	.....	47 8 0
Visual Instruction ...	74 14 0	.....	.....	74 14 0
Sloyd and Handicrafts ...	10,984 5 11	17,403 9 2	6,419 3 3	.....
Boy Scouts and Girl Guides ...	17,037 15 9	16,131 12 0	.....	906 3 9
Audit Establishment Charges ...	5,800 0 0	7,403 15 0	1,603 15 0	.....
Hindustani Training Class ...	4,886 12 3	20,162 13 0	15,276 0 9	.....
Grain Compensation ...	11,49,326 11 0	14,80,220 2 0	3,30,893 7 0	.....
Stipends to Teachers ...	4,725 14 0	4,918 7 0	192 9 0	.....
Superintendents and their Establishments ...	1,58,296 4 9	1,85,040 15 9	26,744 11 0	.....
Grants-in-Aid to primary schools ...	3,29,014 0 0	3,71,472 0 0	42,458 0 0	.....
Teachers' Library ...	4,470 8 3	5,128 2 0	657 9 9	.....
Superintendent, Aided Schools ...	16,289 11 0	16,587 5 9	297 10 9	.....
Census Establishment ...	41,341 1 3	33,079 0 3	.....	8,262 1 0
Pensions and Gratuities ...	1,65,335 6 0	1,98,325 12 0	32,990 6 0	.....
Municipal Contribution towards Provident Fund ...	2,81,602 9 0	3,20,214 7 0	38,611 14 0	.....
Repairs to School Buildings ...	11,545 8 0	20,936 10 0	9,391 2 0	.....
Total Rs. ...	60,42,123 4 9	69,60,386 5 10	9,48,565 3 0	30,302 1 11

* Please refer to para 6 of Schedule II.

APPENDIX 'B'

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads:—

I.—Revenue and Receipts.

II.—Recoveries of excess or wrong payments as well as dues left unrecovered for unduly long periods.

III.—Measures resulting in new recurring and non-recurring commitments.

IV.—Internal audit and control.

V.—Non-observance of Municipal Service Regulations.

VI.—General.

VII.—Reports sent to the Standing Committee.

I.—Revenue And Receipts.

A.—Fees.

(1) The opening arrears shown in the quarterly statement of fees received from the Superintendent for the quarter ending March 1946 differed from the closing arrears of the previous quarter.

M.C.A. 1792/II 21-10-1946.

(2) Certain teachers from Municipal Aided Schools were admitted in the Hindi Training Classes, but no fees were recovered from them. Reply is awaited.

M.C.A. 2165/II 17-1-1947.

(3) An amount of Rs. 5,711-12-0 on account of school fees is proposed to be written off by the Schools Committee with the sanction of the Standing Committee.

Schools Committee's Resolution No. 666 of 6-8-1947.

It is necessary that a certificate should be obtained in such cases from the Superintendent of each Section that all attempts were made to recover the fees before the same is recommended for write-off.

B.—Donations from Public.

Amounts received from public as donations, instead of being paid into Accounts Office, were kept by the Head Masters with themselves for a long time, pending the decision of the Schools Committee.

M.C.A. 1586/II 13-7-1946.

C.—*Money acknowledgement not on proper form.*

Acknowledgement for money received for sale of old records was given on a memo form, instead of issuing the usual receipt. The irregularity being pointed out, necessary circular has been issued instructing the persons concerned to pass receipts, for money recovered, only from official receipt books.

M.C.A. 103/II 17-5-1944.

II.—Statement of recoveries of excess or wrong payments and dues left unrecovered for unduly long periods.

Serial No.	Case No. and Date.	Particulars.	Amount. Rs. a. p.
1	M.C.A. 3649/II of 11-5-1943 ...	Credit for disposal of stone slabs removed from compound of the Byculla Marathi Boys' School.	104 1 0
2	M.C.A. 80/II of 12-5-1944 ...	Payment of allowance to peons of Ward Local Committees for months during which there were no meetings.	11 0 0
3	M.C.A. 875/II of 26-7-1945 ...	Full dearness allowance paid to a part-time peon for March 1945, when he worked elsewhere.	11 0 0
4	M.C.A. 1487/II of 22-5-1946 ...	Imprest account cash in hand found in excess.	0 0 6
5	M.C.A. 1488/II of 22-5-1946 ...	Do. do. do.	0 0 9
6	M.C.A. 1489/II of 22-5-1946 ...	Do. do. do. short	0 0 6
7	M.C.A. 1492/II of 22-5-1946 ...	Conveyance allowance paid, while on leave	0 5 0
8	M.C.A. 1588/II of 13-7-1946 ...	Refund of fees and allowances received by a teacher from the Bombay High Court for working as interpreter.	65 0 0
9	M.C.A. 1651/II of 5-8-1946 ...	Recovery of payment made for issues of periodicals not received ...	40 8 0
10	M.C.A. 1790/II of 21-10-1946 ...	Interest allowed in excess on provident fund Municipal contribution	0 5 0
11	M.C.A. 1791/II of 21-10-1946 ...	Excess payment of contingency	1 0 0
12	M.C.A. 1983/II of 2-12-1946 ...	Excess payment of leave salary	0 3 0
13	M.C.A. 2016/II of 11-12-1946 ...	Conveyance allowance paid for a portion of vacation	9 11 0
14	M.C.A. 2038/II of 16-12-1946 ...	Payment of rent for the days the premises were not in occupation ...	0 9 0
15	M.C.A. 2163/II of 17-1-1947 ...	Excess payment of school contingency	16 2 6
16	M.C.A. 2241/II of 21-2-1947 ...	Bill for advertisement, although passed for reduced amount, was paid in full.	9 6 0
17	M.C.A. 2242/II of 21-2-1947 ...	Payment at full rate of pay, while on leave on half-average pay	2 6 0
18	M.C.A. 2288/II of 4-3-1947 ...	Excess payment in contingency bill	0 3 0
19	M.C.A. 1788/II of 21-10-1946 ...	Excess payment in pension	15 0 0
		Total Rs. ...	286 13 3

III.—Measures resulting in new recurring and non-recurring Commitments.

M.C.A. 1264 II 31-1-1946 and M.C.A. 1823 II 28-10-1946.

(1) Audit objected to the payment of an additional pay of Rs. 100/- to Mr. M. P. Shah, the Superintendent, Gujarati Boys' and Hindi Schools who was asked to look after the work of the Superintendent, Gujarati Girls' Schools. Under Note A of Rule 56 of Municipal Service Regulations, he was entitled to only 1/10th of the presumptive pay of the 2nd post. The Schools Committee, however, approved of the payment made to him, stating that he had discharged quite satisfactorily the duties attached to the second post, in addition to his own.

It was again pointed out that as Mr. Shah did not officiate in the second post, he was not entitled to draw more than 1/10th of the presumptive pay of the second post. The Schools Committee thereupon passed a resolution that Mr. Shah be considered to have been appointed to officiate in the post of the Superintendent, Gujarati Girls' Schools, in addition to his own appointment. (Schools Committee's Resolution No. 43, dated the 9th April 1947). The irregularity has thus been regularised.

(2) *Revision of grades of Teachers and Superintendents.*—The fixing of salaries in the revised grades of the Superintendents and Teachers, the Schooos Committee have not followed the same principle as adopted by the Standing Committee and the Corporation. The salaries of the Superintendents are to be adjusted according to the length of service put in by them and in the case of teachers, the maximum number of increments has been fixed as 6 for the trained teachers and 5 for untrained ones, as against maximum increments fixed for the clerical staff under the Municipal Commissioner. (Standing Committee Resolution No. 1125, dated the 16th October 1946 and Corporation Resolution No. 893, dated the 8th November 1946). This will necessarily increase recurring expenditure enormously.

Schools Committee's Resolutions Nos.—
(i) 455 of 12-7-46,
(ii) 635 of 7-8-46, &
iii) 1263 of 8-1-47.

IV.—Internal Audit and Control.

(1) *Passing of the Miscellaneous Bills.*

M.C.A. 1456/II 9-5-1946

Irregularities of the following nature were noticed:—

(*a*) Details in the conveyance bills, *viz.*, mode of conveyance, distance covered, not given

(*b*) Amounts claimed and paid differed from the amounts acknowledged.

M.C.A. 1490/II 22-5-1946.

(*c*) Reference to pages in the Dead Stock Register not given.

M.C.A. 1418/II 22-4-1946.

(*d*) Sanctions not quoted on the vouchers and in Advance Register.

(*e*) Bills not certified.

(*f*) Bills paid, not defaced with "PAID" stamp.

(*g*) Amount not specified in the discharge given by the party.

(2) *Purchases from market, instead of from the Controller of Stores.*

M.C.A. 2359/II 27-3-1947, and M.C.A. 1726 II 10-9-1946.

(*a*) 10 locks by the Head Master of Dongri Central School.

(*b*) Various other articles by Khetwadi Painting Class.

M.C.A. 1590/II 13-7-1946.

(*c*) Timber by the Supervisor of Handicrafts.

M.C.A. 1610/II 22-9-1946.

(*d*) Similarly out of Rs. 180 a sum of Rs. 127-1-0 was spent by the Foras Road Binding Class teacher for purchasing articles during 1945-46 from market, instead of indenting them from the Municipal Printing Press.

Thus economy in expenditure is not secured by obtaining the supplies from the expert purchasing agencies of the Corporation.

(3) *Bills paid without sanction of the Schools Committee.*

M.C.A. 1259 II 31-1-1946.

(*i*) The procedure of the Schools Committee authorising their Secretary to invite quotations, to place orders with suitable firms and to pay bills thereof was reported by audit as contrary to the accepted principles of sanctions. The Committee, in such cases, now generally authorise the Chairman and the Secretary to select suitable tenders received. (Schools Committee Resolution No. 1476, dated the 20th February 1946).

M.C.A. 1685 II 14-8-1946.

(*ii*) Payment of Rs. 25 was made to a typist for taking copies of question papers set for the departmental head clerks' examination, without sanction. This has now been regularised. (Schools Committee Resolution No. 610, dated the 31st July 1947).

M.C.A. 237 II 2-9-1944.

(*iii*) Purchase of books of Rs. 78-3-0 from the amounts of deposits received from employees on account of lost books was made without proper sanction. The Schools Committee have issued order under their Resolution No. 418, dated the 3rd July 1946 to obtain their sanction in such cases.

(4) *Dearness Allowance to Part-time employees.*

M.C.A. 876/II — 26-7-1945, and M.C.A. 1048/II — 8-11-1945.

Declaration required from a part-time employee that he did not work elsewhere to make him entitled for dearness allowance at full rate was not found attached to the paybills of Urdu Boys' and Girls' Schools for different periods. Fresh certificates have since been obtained in some cases and in the remaining cases they could not be obtained, as the employees had left municipal service.

(5) *Bills for periodicals for Office Library*

M.C.A. 1651/II — 5-8-1946.

An amount of Rs. 573-4-0 was paid to the New Book Co., as subscription for periodicals purchased for Office Library. No recovery or deduction from subscriptions was noticed to have been made, although not a single issue of the two periodicals, *viz.*, "California Journal of Elementary Education" and "Soviet Union News" was received. Similarly though only one issue out of three in a year, of "Natural History Society "was received, the full annual subscription of Rs. 25 was paid.

The Secretary, Schools Committee, explained that as the foreign periodicals were received direct through the Post Office, they were lost in transit due to war conditions and therefore the matter was over-looked. The amount of Rs. 40-8-0 being subscription for the above three periodicals has since been recovered from the Company.

(6) *Scholarship Bills.*

(*i*) Unpaid scholarship amounts held in deposit since 1942 were, at the instance of Audit, got credited back to the Municipal Fund.

M.C.A. 1038/II — 27-10-1945.

(*ii*) An amount of Rs. 9 taken by a Head Mistress for paying it to the Scholars remained with her for nearly 7 months. The Secretary, Schools Committee, states that the amount remained with the Head Mistress, pending visit by the Superintendent to the School. Necessary instructions have now been given to her.

M.C.A. 1193/II — 16-1-1946.

(*iii*) A student of R. C. Training Urdu Institute left it without giving any information. Enquiry as regards recovery of stipends in terms of agreement in this behalf has been made, to which reply is awaited.

M.C.A. 2391/II — 25-3-1947.

(7) *Provident Fund Accounts.*

Mistakes on account of more or less interest allowed in three cases in the provident fund accounts for the year 1945-46 were pointed out by Audit and they were set right.

M.C.A. 1790/II — 21-10-1946.

(8) *Local Committees.*

(*i*) Allowances of Rs. 3 per month for clerk and annas eight for peon on piece work basis attending to the work of Local Committees were granted under Schools Committee Resolution No. 748 dated the 13th December 1928. The peons were, however, paid annas eight per month during months, when there were no meetings of the Committees. Excess payment of Rs. 11 made to them has since been recovered.

M.C.A. 80/II — 12-5-1934.

(*ii*) The paysheets of Local Committees were prepared for three months simultaneously. Instructions have been issued to prepare consolidated paybills monthly.

M.C.A. 1439/II — 2-5-1946.

(*iii*) The Registers of imprest accounts of certain Local Committees were found neither regularly written nor recoupments entered therein, nor the balance on hand certified monthly.

M.C.A. 1486/II — 22-5-1946.

(9) *Advances paid to Officers.*

(*i*) Out of the balance of Rs. 1,350 from the advance made to the Assistant Organising Commissioner, Boy Scouts, on a surprise check, vouchers amounting to Rs. 288-11-0 were produced ; no receipt was produced for Rs. 100 said to be advanced to Scout-Masters : and the cash balance of Rs. 961-5-0 was said to have been kept at his home. Also the account books showing the total advance and the expenditure thereagainst were not properly maintained. Reply is awaited.

M.C.A. 1378/II — 6-4-1946.

(*ii*) Out of the total advance of Rs. 220 given to the Supervisor of Handicrafts, loose vouchers amouting to Rs. 179-3-6 only were produced. The account book of advances was not properly maintained. Reply is awaited.

M.C.A. 1381/II — 8-4-1946.

(*iii*) Out of money advanced to Special Attendance Officer, a sum of Rs. 447-3-6 was found kept by his Head Clerk in his personal account of the Schools Committe's Employees' Co-operative Credit Bank and a sum of Rs. 30 was found mixed up with his own money. Orders have been issued to keep the office money separately and only in the office.

M.C.A. 1382/II — 8-4-1946.

(*iv*) Specific sanction of the Schools Committee to the payment of Rs. 240 made to the Special Attendance Officer in connection with Propaganda Meetings at Rs. 16 per meeting was not obtained. Reply is awaited.

M.C.A. 1397/II — 11-4-1946.

(*v*) Accounts of advance of Rs. 600 made to the District Commissioner, Municipal Girls' Scouts for expenses of Annual Scout Rally were submitted late. Bills were not properly certified by Officers and specific sanction of the Schools Committee therefor was not obtained.

M.C.A. 1411 II
18-4-1946.

(*vi*) Correct estimates of amounts of advances required were not prepared, and about 50 per cent. of the amounts of advances were returned.

M.C.A. 1589 II
13-7-1946.
AND
M.C.A. 2183/II
23-1-1947.

(10) *Handicrafts Exhibition.*

(*a*) The prices of the sewing articles kept in the exhibition held in March 1946 were not fixed by the Secretary, as required under Schools Committee's Resolution No. *1234*, dated the 2nd February 1944, but were fixed by the Superintendent, Marathi Girls' Schools, and sold for Rs. 11 only. This has since been approved by the Secretary, Schools Committee.

M.C.A. 2189 II
23-1-1947.

(*b*) (*i*) The prices of articles as entered in the Sales Register were approved of by the Secretary long after the exhibition was over , although she alone is authorised to fix up the prices prior to the opening of the exhibition.

M.C.A. 2357/II
26-3-1947.

(*ii*) Proper acknowledgements for articles returned to schools were not obtained. One article from Chinchpokli Urdu Girls' School shown as sold by the Head Mistress was not supported by the Sales Register.

(*iii*) Out of 24 articles exhibited by one School, as many as 11, were stated to have been lost and which were written-off (*vide* Schools Committeee Resolution No. 1256, dated the 21st Febuary 1947).

(*iv*) A detailed account of total receipts was not prepared, but round sums were remitted to the Office Treasury and the remittance of the amounts collected on the last day of the exhibition was delayed for over a month.

(*v*) On the last day of the exhibition the prices of the articles on salx were reduced as usual by 25 to 33 per cent. As however, the deductions at varying percentages were not specified with regard to different types of articles, such as sewing, drawing, carpentry, etc., it was left to the discretion of the salesman as to what percentage of reduction and on what articles was to be given.

(*vi*) Internal check on the accounts was lacking.

(*c*) On the previous day of the opening of the Handicrafts Exhibition held on 13th March 1947, personal enquiries were made with the authorities whether the prices of the articles on sale were approved by the Secretary. The Supervisor of Handicrafts stated that obtaining the previous approval of the Secretary, Schools Committee was not practical and suggestion was, therefore, made to the Office Superintendent that the list of articles with prices might be got approved by the Secretary before the articles were exhibited and also the deductions at varying percentages in prices, when sanctioned by the Secretary on the last day, might be specified with regard to different types of articles

M.C.A. 2316/II
14-3-1917.

Necessary approval of the Secretary has since been taken.

(11) *Office and School Paysheets.*

(*i*) Supplementary pay bills were passed and paid without taking necessary notes in the respective monthly paybills. The system of taking such notes has now been agreed to be followed.

M.C.A. 40 II
26-4-1944, &
M.C.A. 1509/II
29-5-1946.

(*ii*) The supplementary paysheets of the Lady Supervisor of Physical Instruction for August 1945 was passed for payment on 1st October 1945 without having usual monthly paysheets. The person concerned has been asked to be careful in future.

M.C.A. 1258/II
31-1-1946.

(*iii*) In the paysheet of R. C. Training Institute for February 1946, budget strength was not shown and sanctions for the transfer of the gardener from Madanpura Urdu Girls' School and for the appointment of 2nd Assistant were not noted therein.

M.C.A. 1724/II
10-9-1946.

(*iv*) Under Schools Committee Resolution No. 549, dated the 24th July 1946 five lady teachers were appointed as Instructors in the Training Classes on their present grades and salaries and were asked to teach English in Marathi Girls' Schools in their spare-time.

M.C.A. 2290 II
27-2-1947.

The salaries of the three teachers were,however, debited at full rate to the grant of Training Classes for August 1946 and those of the remaining two, to the grant for schools, instead of charging the expenditure in proportion of services rendered to the Training Class and the Schools. The Secretary explained that on experience it was found that the three teachers were fully required for the Training Classes and could not be spared for schools and their salaries were therefore, fully debited to the Training Classes. The salaries of other two lady teachers who were working for half-day in the TrainingClasses and half-day in Schools had since been adjusted proportionately.

(*v*) The Secretary while making proposals for the staff of the Training Classes (Schools Committee Resolution No. 195, dated the 18th May 1946) stated that all instructors were to be trained graduates, However, Messrs. S. K. Mehta and J. Nalin who are not trained graduates have been given the grades of trained graduates *viz.*, Rs. 100-10-150. Reply is awaited.

M.C.A. 2315/II
14-3-1947.

(12) *Delayed payment of Bills.*

Certain bills pertaining to 1940-41 were paid in May 1945. A register of bills, as suggested by audit, is being maintained by office to avoid undue delay.

M.C.A. 731/II
18-5-1945.

(13) *Leave Registers.*

Various irregularities in the matter of certification and posting of leave in the leave accounts, *viz.*, posting of leave accounts before the completion of leave, making incomplete remarks about leave in the paysheets, etc., were pointed out and the Secretary has now accordingly issued a circular to that effect to the persons concerned for future guidance.

M.C.A. 3957/II
15-10-1946.

(14) *Contingency bills and standing advances to Head Teachers.*

(*i*) Under Schools Committee Resolution No. 1323, dated the 1st February 1946, to cover increased prices of the stationery articles, an increase of 35 per cent. in the monthly contingency was sanctioned. Accordingly, the contingency amount of the Byculla Marathi Boys' School was fixed from Rs. 22-8-0 to Rs. 30-6-0. A query was raised as to why a general increase of 35 per cent., on all items including gardening has been allowed in the above school.. The monthly contengency amount of the school, therefore, has since been fixed at Rs. 26-14-0 from 1-9-1946. Audit has now written to the Secretary that sanction of the Schools Committee may be obtained to regularise the expenditure incurred in excess for seven months from February to August 1946.

M.C.A. 1538/II
10-6-1946.

(*ii*) (A) Irregularities were noticed in respect of annual certificates for standing advances held by Head Teachers, such as shown below :—

M.C.A. 1872/II
1-11-1946.

(*a*) The amounts acknowledged to have been held differed from those mentioned in the register.

(*b*) Amount of advances not stated in the certificates.

(*c*) Certificates for advances not obtained from several Head Teachers.

(*ii*) (B) Page to page totals of the register of Gujarati and Hindi Schools were taken in pencil and not attested by the Superintendent of Accounts.

(*iii*) Bill for Rs. 6-1-0 was passed by the office, but amount of Rs. 6-7-0 was paid to the Head Mistress of Bengalipura Urdu Girls' School. Recovery of annas six from her is awaited.

M.C.A. 1493/II
22-5-1946.
AND
M.C.A. 2209/II
7-2-1947.

(*iv*) Irregularities of the following nature were of common occurrence :—

(*a*) Bills not marked "Original."

(*b*) Paid bills not defaced with "PAID" stamp.

(*c*) The certificate that the bill was not certified for payment previously, not given.

(*d*) Charges not entered in the recurring charges register in case of conveyance bills of pupil teachers.

(*e*) Reference to receipt numbers for unpaid conveyance amounts credited to Depoit Account not given in the bills.

(*f*) Discharges not obtained in the contingency bills of certain Urdu Schools.

(*g*) Amounts paid and amounts acknowledged differed in a few cases.

(15) *Rent bills paid without proper certificates.*

The faulty system of paying rent bills without certificates from head teachers to the effect that the tenancy was in occupation of the schools for the period of the bills was objected in Audit. The Secretary, Schools Committee, has now agreed to take such certificates from head teachers in all cases, including periods of vacation, when certificate is to be called for in advance.

M.C.A. 418/II
14-11-1944.

(16) *Non-observance of Municipal Service Regulations.*

(1) Salaries for May 1946 of four employees of Hindi Schools were paid before their leave joining to the Summer Vacation was sanctioned. The Secretary explained that as period of leave in each case was short, instructions were given to pay the salary to avoid hardship to the employees. Such orders have the effect of loosing the accounts control.

M.C.A. 1981/II
2-12-1946.

(2) An Assistant Teacher of the Vithalbhai Patel Road Gujarati Boys' School was granted leave on half-average pay on medical certificate from 17-11-1945 to 19-12-1945 and his leave salary was paid. His leave, however, had to be converted into leave without pay, as no leave on medical certificate was due to him. The Department has been asked to recover the excess amount from the teacher. Reply is awaited.

M.C.A. 1497 II
13-7-1946.

V.—Non-observance of the provision of the Municipal Act.

Two teachers from the Andheri District School Board were admitted to the Hindi Teachers' Training Class from November 1946 on condition that they should pay a fee of Rs. 5 per month and that after training they should serve their School Board (*vide* Schools Committee Resolution No. 353(F), dated the 25th June 1946). Attention of the Secretary has been drawn to the opinion of the Counsel Mr. Bhulabhai Desai in this connection that no expenditure out of Municipal Fund can be incurred for training teachers from outside the City limits. Reply is awaited.

M.C.A. 2134 II
7-1-1947.

VI.—General.

(1) The daily summaries of deductions made through paybills which were not attested, as reported last year, are now attested by the Superintendent of Accounts and entries in the Recurring Charges Register is agreed to be attested on getting the additional staff as proposed in the re-organisation scheme, which is under consideration of the Schools Committee.

M.C.A. 1151 II
18-12-1945

(2) The cost of the Hand-Press of the Foras Road Marathi Boys' School as shown in the Register of Machinery was Rs. 400 as against Rs.300 shown in the statement sent to audit. The Secretary explained that the correct cost of the Hand-Press as traced out from the old records was Rs. 450 and that the Register of Machinery is corrected accordingly.

M.C.A. 1214 II
18-1-1946.

(3) Test check of the Office Imprest Account showed that acknowledgement for Rs. 2 said to have been advanced to a peon for purchase of flowers was not obtained.

M.C.A. 1380 II
8-4-1946.

(4) Sanctions were not properly quoted on some of the vouchers and discharge was obtained on the bills without expressing the amount received in words and figures.

M.C.A. 1390 II
11-4-1946.

(5) A register showing stock on hand and sale of tender forms to the contractors at Rs. 2 each, which was not maintained, has now been introduced.

M.C.A. 1416 II
22-4-1946.

(6) In several cases of special sundry bills, the Superintendents' Certificates in an approved form were not endorsed on the bills, but on separate mema. Necessary instructions have now been given.

M.C.A. 1417 II
22-4-1946.

(7) On a surprise check of the imprest account of the Assistant Organising Commissioner, Boy Scouts and Superintendent, Aided Schools, excess amounts of pies 6 and 9 respectively were found. The excess amount has since been remitted to the Municipal Treasury.

M.C.A. 1437 II
22-5-1946.
AND
M.C.A. 1458 II
22-5-1946.

(8) Two part-time sanitary peons were found supplied with umbrellas free of cost. The Secretary explained that in future umbrellas will not be issued to this class of employees.

M.C.A. 1522 II
31-5-1946.

(9) Charges for removing chairs from one school to the other were wrongly debited to "Salaries of Servants" instead of to "Special Sundry Expenses." The necessary adjustment has been carried out.

M.C.A. 1567 II
10-6-1946.

(10) Under the terms of the S. S. Bengali Trust Fund, Jubilee medals are to be given to the pupils of the S. S. Bengali Gujarati Girls' School from the income of the Trust Fund. However, the cost of Rs. 95 for the preparation of die for the medals was found debited to the Municipal Fund, as sanctioned by the Schools Committee under their Resolution No. 1015, dated the 17th January 1945. This was objected to in audit, and the Schools Committee passed order in modification of their previous one to transfer the cost to the Trust Fund. (Schools Committee Resolution No. 1662, dated the 19th March 1947).

M.C.A. 1567 II
27-6-1946.

(11) Simliarly, 5 per cent. 1944-45 Securities of Rs. 23,000 of the Trust Funds kept in the safe custody of the Imperial Bank of India were redeemed by the Bank and their commission of Rs. 55-5-0 was debited to the School Fund instead of to the Trust Funds. (Schools Committee Resolution No. 1216, dated the 7th January 1946). On audit objection, necessary adjustment has been carried out. (*Vide* Schools Committee Resolution No. 1126, dated the 11th December 1946).

M.C.A. 1741 II
25-9-1946

(12) A sum of Rs. 3 recovered through provident fund amounts of a deceased employee on account of loss of a library book and taken to deposit account was not posted in the deposit register.

M.C.A. 1576 II
5-7-1946

M.C.A. 1604 II
18-7-1946 and M.C.A. 1818 II
23-10-1946.

(13) A general sanction of the Schools Committee to the estimated expenses for 60 Propaganda meetings was obtained under their Resolution No. 192, dated the 11th May 1945: but no specific sanction of the Committee for engaging the services of the Contractor Mr. V. V. Ghangule and to his rate at Rs. 16 per meeting was obtained: nor any competitive rates for the above work were called for. Approval of the Committee to the above arrangement has since been obtained. (Schools Committee Resolution No. 1259, dated the 8th January 1947).

M.C.A. 1750 II
1-10-1946.

(14) Securities in Government Paper of Rs. 15,000 pertaining to Jairajbhai Peerbhai Girls' School Trust Fund received from the Reserve Bank and not included in the accounts for the year 1945-46, as reported last year, have since been brought on books.

M.C.A. 1789 II
21-10-1946.

(15) A number of deposits outstanding since 1-4-1941 were got adjusted and credited to Miscellaneous Receipts.

M.C.A. 1793/II
21-10-1946.

(16) (*a*) A new system of examination in the Schools was approved of by the Schools Committee (*vide* Resolution No. 1649, dated the 27th March 1946) and in that connection, printing of registers, forms, etc., was entrusted to Messrs. V. Prabha & Co. It was pointed out to the Secretary that if the order had been split up and given to the firms who had quoted more favourable rates for some of the items, an amount of Rs. 1,317-12-0 would have been saved. The Secretary explained that the order was given to the said firm as it was a well-established firm. The question of ability and status of other firms does not arise as the quotations were called for from firms who were on the approved list of the Committee.

(16) (*b*) Similarly, the work of painting black boards, notice boards, attendance boards and class boards was given to Messrs. Punkaj Products Co., although their rates as compared with those of other firms were higher, excepting in the case of notice-boards. (Schools Committee Resolution No. 633, dated the 7th August 1946).

M.C.A. 1805/II
23-10-1946.

(17) An amount of Rs. 194-9-0 in respect of donations for awarding scholarships to the students of Urdu Girls' Schools and another amount of Rs. 293-12-0 in respect of the Madhavrao Rokde Endowment Fund were lying uninvested for a number of years. This being pointed out by Audit, award of scholarships out of donation of Rs. 194-9-0 has since been sanctioned (Schools Committee Resolution No. 1541, dated the 26th February 1947) and the other amount has since been invested in Government Securities (Schools Committee Resolution No. 237, dated the 7th May 1947).

M.C.A. 2164/II
17-1-1947.

(18) An amount of Rs. 1-4-0 due to a teacher was found not accounted for. This amount has since been acknowledged by the teacher.

M.C.A. 2166/II
17-1-1947.

(19) An amount of Rs. 20 was spent for purchasing manure and earth from a private Contractor. The Secretary has now agreed to purchase the same from the Municipal Contractors hereafter.

M.C.A. 2218/II
11-2-1947.

(20) Two posts in the grade of Rs. 125-5-175 were created and appointments thereto were made of two Municipal employees on Rs. 125 and Rs. 140 per month (Schools Committee Resolution No. 504, dated the 17th July 1946). However, as they were actually drawing Rs. 130 and Rs. 145 respectively, at the time of their appointments to the new posts, they had drawn as initial pay at Rs. 135 and Rs. 150 under Rule 23 of the Municipal Service Regulations. This was objected to in audit on the ground that as the appointments were made on a definite rate of pay, no higher rate could be allowed. The Schools Committee modified their previous Resolution allowing the rate of pay drawn by them (Schools Committee Resolution No. 1605, dated the 5th March 1947).

M.C.A. 2245/II
22-2-1947.

(21) Two cups and two covers given for tinning by the Head Master of the Kamathipura, 7th Lane Urdu Boys' School, were reported to have been lost. The Secretary has been asked to state whether the cost has since been recovered.

M.C.A. 2314/II
14-3-1947.

(22) *Certain copies of periodicals were sanctioned* under Schools Committee Resolution No. 1063, dated the 29th November 1946 for the Gujarati and Urdu Teachers' Training Classes to serve the needs of pupil-teachers. Audit pointed out that the same periodicals were being subscribed for the central Teachers' Library and enquired why two copies of the same periodicals were purchased. The Secretary explained that she was of opinion that the pupil teachers should not be made to sacrifice their time in going to the central library for the purpose of reading periodicals.

M.C.A. 2342/II
22-3-1947

(23) It was observed that the budget grants sanctioned for musical appliances in Urdu Schools for two years—1945-46 and 1946-47—remaining wholly unspent were transferred to the grant " IV.—Class Books etc.". The Secretary explained that no amounts would hereafter be provided in the budget for this purpose.

M.C.A. 1339/II
2-4-1946

(24) Under Schools Committee Resolution No. 1543, dated the 6th March 1946, accidental holidays declared by the Secretary or the Schools Committee, were not counted as casual leave even if they happened to be prefixed or affixed to the casual leave. On audit objection to this practice, the Committee have agreed to follow the same practice as obtained in the Departments under the Municipal Commissioner (*vide* Schools Committee Resolution No. 1109, dated the 3rd December 1946).

M.C.A. 1851/II
29-10-1946

(25) The grants proposed to be renewed for 1946-47 out of the unspent balances of the grants for 1945-46 under certain heads were found to be in excess of the savings in the respective budget heads of the School Fund. Reply to audit reference as to what steps the Secretary proposes to avoid recurrence of this in future is awaited.

(26) The absence of an employee in the Departments under the Municipal Commissioner due to communal disturbances in the City is treated as casual leave or any other leave due to him. Contrary to this practice, the Schools Committee have condoned such absence of several days under their Resolution No. 117 dated the 23rd April 1947. In the case of Mr. Kasam Mahomed Aga the period of his absence from 2-9-1946 to 16-3-1947 was sanctioned to be treated in the same way as of other teachers and he was given the benefit of condonation of absence from 2-9-1946 to 21-11-1946 and the remaining period as leave without pay.

M.C.A. 1766 II
15-9-1947

Again under Schools Committee Resolution No. 1517, dated the 21st February 1947, the absence of an Assistant Lady Teacher in the Naigaum Urdu Girls' School for nearly six months from 2-9-1946 to the date of the meeting, *i.e.*, 21-2-1947 has been condoned.

The absence of even a temporary employee who was appointed from 1-8-1946 and had served the Committee for about a month only, was condoned from 2-9-1946 to 20-9-1946 (Schools Committee Resolution No. 793, dated the 25th February 1946).

(27) The Head Clerk in charge of the imprest account in the Department of the Special Attendance Officer was asked to furnish security of Rs. 30 without appropriate sanction which has since been obtained (Standing Committee Resolution No. 1278, dated the 15th November1946 and Corporation Resolution No. 1162, dated the 9th December 1946).

M.C.A. 694 II
24-9-1945

(28) *Outstanding Objections.*—Out of 100 objections remaining undisposed off finally in respect of previous years, only 42 have been replied to during the year under report and the number still left over is 58. The nature of these objections has already been summarised in the report of the respective years. A list of them is available in this office for reference by the Department concerned, whenever necessary.

VII.—Reports sent to the Standing Committee.

(1) The two Hindi Teachers who were appointed with effect from 22-4-1944 joined duty after Summer Vacation on 5-6-1944 and were not therefore entitled to Summer Vacation for which they were found paid. A report made in this respect to the Standing Committee was referred to the Schools Committee for remarks (Standing Committee Resolution No. 639, dated the 15th August 1945). Recommendation to recover the amount paid to the teachers was approved by the Schools Committee (Resolution No. 539, dated the 24th July 1946) and the whole communications have been recorded under the Standing Committee Resolution No. 1466, dated the 3rd December 1946.

M.C.A. 898 II
2-8-1945

(2) A report made to the Standing Committee showing the accounting irregularities etc., in respect of the Handicrafts Exhibitions of the Schools was referred to the Schools Committee. (Standing Committee Resolution No. 638, dated the 15th August 1945). The Secretary's report stating that most of the reported objections have been met and the irregularities and discrepancies set right and that the Supervisor of Handicrafts has been advised to give proper instructions to the persons concerned so as to improve the working and to give correct account of the articles in future, has since been recorded under Schools Committee Resolution No.1156, dated the 11th December 1946 and Standing Committee Resolution No. 2016, dated the 21st February 1947.

M.C.A. 887/II
2-8-1945

(3) A report was made to the Standing Committee about the action of the Schools Committee in changing the designation of scavengers under their employ as sanitary peons. The Standing Committee twice referred the matter to the Schools Committee for their reconsideration and report, as the proposed change of designations was likely to cause serious difficulties with regard to similar other staff employed by the Municipality. The Standing Committee has now been informed by the Schools Committee (Schools Committee Resolution No. 316, dated the 19th June 1946) that in view of the revision of grades and other service conditions of the scavengers and other inferior staff sanctioned by them, the change in designation to that of sanitary peons should stand as it is. The Standing Committee under their Resolution No. 1318, dated the 20th November 1946 have forwarded the same to the Municipal Commissioner, for remarks.

M.C.A. 421 II
14-11-1946

(4) A post of an Assistant to the Secretary, Schools Committee, in the grade of Rs. 210-10-310 was created and filled up by the Schools Committee under their Resolution No. 550, dated the 24th July 1946, for relieving the Secretary of a good deal of routine office work, hitherto attended by the Secretary, Schools Committee.

M.C.A. 2368 II
28-3-1947

Audit was of opinion that this post could not be created by the Schools Committee except with the sanction of the Corporation as per Section 76A(2) of the Municipal Act. The monthly payment on account of salary to the incumbent of the post out of theSchool Fund being inadmissible in audit, the matter was reported to the Standing Committee, who have forwarded the same to the Schools Committee for their remarks (Standing Committee Resolution No. 149, dated the 23rd April 1947), which are awaited.

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools for the year 1946-47.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess. (12-7)	Deficit. (7-12)	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total	Infants.	Other standards.	Total									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st March 1946.															
Marathi Schools			77,070			1,926	2,383	412	1,971	...	1,971	45	...	133	
Gujarati Schools			19,032			476	490	60	430	...	430	...	46	...	
Urdu Schools			18,389			459	469	42	427	...	427	...	32	42	
Rest			6,646			166	186	19	167	...	167	1	..	6	
Total ...			1,21,137			3,027	3,528	533	2,995	...	2,995	46	78	181	
As on 1st April 1946.															
Marathi Schools			76,765			1,919	2,389	411	1,978	...	1,978	59	...	108	
Gujarati Schools			19,016			475	502	59	443	...	443	..	32	46	
Urdu Schools			18,223			455	470	42	428	...	428	...	27	39	
Rest			6,709			167	187	19	168	...	168	1	...	29	
Total ...			1,20,713			3,016	3,548	531	3,017	...	3,017	60	59	222	
As on 1st May 1946.															
Marathi Schools			69,959			1,749	2,381	303	2,078	...	2,078	329	...	90	
Gujarati Schools			17,054			427	500	55	445	...	445	18	...	26	
Urdu Schools			17,684			442	467	40	427	...	427	...	15	10	
Rest			6,430			161	187	19	168	...	168	7	...	4	
Total ...			1,11,127			2,779	3,535	417	3,118	...	3,118	354	15	130	
As on 1st June 1946.															
Marathi Schools	All the Municipal Schools were closed for Summar Vacation.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															

N.B.—As there is no shift system in force now, the basis of assigning teachers is, one teacher for 40 pupils for all the Standards including Infant & hence, the figures for Infants & other Stand ards are not shown separately.

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools for The year 1946-47.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available	Excess (12-7)	Deficit (7-12)	Teachers on leave.	Remarks
	Infants.	Other standards.	Total.	Infants.	Other standards	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st July 1946.															
Marathi Schools			72,472			1,812	2,372	335	2,037	...	2,037	225	..	126	
Gujarati Schools			17,854			447	505	51	454	...	454	7	...	24	
Urdu Schools			17,654			441	463	37	426	...	426	...	15	48	
Rest			6,524			161	187	16	171	...	171	10	...	42	
Total ...			1,14,504			2,861	3,527	439	3,088	...	3 088	242	15	240	
As on 1st August 1946.															
Marathi Schools			73,066			1,827	2,360	373	1,987	...	1,987	160	...	143	
Gujarati Schools			18,198			455	509	70	439	...	439	...	16	31	
Urdu Schools			17,866			446	484	79	405	...	405	...	41	50	
Rest			6,576			164	194	33	161	...	161	...	3	9	
Total ...			1,15,706			2,892	3,547	555	2,992	...	2,992	160	60	233	
As on 1st September 1946.															
Marathi Schools			73,328			1,834	2,348	401	1,947	...	1,947	113	...	145	
Gujarati Schools			18,482			462	513	67	446	...	446	...	16	37	
Urdu Schools			17,845			446	486	82	404	...	404	...	42	42	
Rest			6,621			165	200	33	167	...	167	2	...	7	
Total ...			1,16,276			2,907	3,547	583	2,964	...	2,964	115	58	231	
As on 1st October 1946.															
Marathi Schools															
Gujarati Schools	As many of the Schools were kept closed owing to disturbances, figures were not available.														
Urdu Schools															
Rest															
Total ...															

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools for the year 1946-1947.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st November 1946.															
Marathi Schools	As many of the Schools were kept closed owing to disturbances, figures were not available.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															
As on 1st December 1946.															
Marathi Schools	As many of the Schools were kept closed owing to disturbances, figures were not available.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															
As on 1st January 1947.															
Marathi Schools		73,409			1,835		2,340	400	1,940	...	1,940	105	...	115	
Gujarati Schools		18,805			470		506	74	432	...	432	...	38	31	
Urdu Schools		17,938			449		478	81	397	...	397	...	52	29	
Rest		6,850			170		212	49	163	...	163	...	7	17	
Total ...		1,17,002			2,924		3,536	604	2,932	...	2,932	105	97	192	
As on 1st February 1947.															
Marathi Schools		74,410			1,860		2,341	398	1,943	...	1,943	83	...	142	
Gujarati Schools		19,236			481		506	80	426	...	426	...	5	29	
Urdu Schools		18,510			463		478	83	395	...	395	..	68	34	
Rest		6,929			173		213	49	164	...	164	...	9	14	
Total ...		1,19,085			2,977		3,538	610	2,928	...	2,928	83	132	219	

* This column includes relieving staff @ 6%; teachers substituted for those in training Colleges and teachers assigned to Schools having average attendance of over 200 pupils per School.

K. KHANDWALA,
Secretary, Schools Committee.

Municipal Chief Auditor's Report.

No. M.C.A. 3566-IV of 1947-1948.

Bombay, 15th November 1947.

FROM

R. C. MEHTA, ESQ., F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

Subject : *Outstanding balances of rates and taxes on 31st March 1947.*

SIR,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879, and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal Rates and Taxes, Additional General (Riot) Taxes, Urban Immoveable Property Tax, Street Number Plates and Meter Hire, which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1947. The details of the outstanding amounts from year to year pertaining to different Wards are given in the Statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1947 under different heads are summarised below :—

Particulars.	No. of Bills.	Amount.	REMARKS.
		Rs. a. p.	
(*a*) Property taxes including Wheel Tax ..	27,695	55,70,438 6 0	Exclusive of Urban Immoveable Property Tax amounting to Rs. 14,17,232-0-9.
(*b*) Meter Hire	542	22,648 15 0	
(*c*) Street Number Plates	2	2 12 0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act	..	3,76,033 4 0	
(*e*) Additional General Tax No. V ..	136	5,983 1 6	
(*f*) Do. do. No. VI ..	4	58 15 0	
(*g*) Do. do. No. VII ..	25	96 1 0	
(*h*) Do. do. No. VIII ..	2	25 13 0	
(*i*) Do. do. No. X ..	198	18,020 13 6	
(*j*) Do. do. No. XI ..	13	60 15 0	
(*k*) Do. do. No. XII ..	46	1,074 1 0	
(*l*) Do. do. No. XIII ..	4	294 8 0	
(*m*) Do. do. No. XIV ..	2	1 0 0	
(*n*) Do. do. No. XV ..	1	29 6 0	
(*o*) Urban Immoveable Property Tax ..	.. *	14,17,232 0 9	*The bills outstanding for Urban Immoveable Property Tax are including in the number of bills shown under item (*a*) above.
Total ..	28,670	74,11,999 15 9	

2. The outstanding balances under (*a*), (*b*), (*c*) and (*d*) above as compared with those of the previous year were as follows:—

Serial No.	Particulars.	Outstanding on 31st March 1946.	Outstanding on 31st March 1947.
		Rs. a. p.	Rs. a. p.
1	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ..	3,42,229 12 0	3,76,033 4 0
	(*b*) Government (Property Taxes)	1,22,929 5 0	4,84,439 12 0
2	Bombay Port Trust	96,166 3 0	22,353 7 0
3	Bombay Municipal Corporation (Improvements) ..	35,181 10 0	62,443 1 0
4	G. I. P. Railway	1,27,384 7 0	1,16,409 2 0
5	B. B. & C. I. Railway	1,83,201 7 0	1,35,488 3 0
6	Mills	12,302 10 0	12,133 12 0
7	Other Rate-payers	35,17,868 15 3	47,37,171 1 0
	Total ..	44,37,264 5 3	59,46,471 10 0
8	Meter Hire	26,944 10 0	22,648 15 0
9	Street Number Plates	17 8 0	2 12 0
	Grand Total ..	44,64,226 7 3	59,69,123 5 0

1. (*a*) The sum of Rs. 3,76,033-4-0 represents amount payable by Government for the period from 1934-35 to 1946-47 in respect of Military and Police Hospitals.

(*b*) The sum of Rs. 4,84,439-12-0 is in respect of Special Halalkhore Tax and Water Charges for Government properties covered by the award.

2. The sum of Rs. 22,353-7-0 is in respect of Special Halalkhore Tax and Water Charges.

3. The taxes amounting to Rs. 62,443-1-0 are due by the Bombay Municipal Corporation (Improvements) and are required to be adjusted against grants.

4. Out of the amount of Rs. 1,16,409-2-0 a sum of Rs. 73,249-14-0 has been received leaving a balance of Rs. 43,159-4-0 as outstanding.

5. Out of the amount of Rs. 1,35,488-3-0 a sum of Rs. 56,950-8-0 has been received leaving a balance of Rs. 78,537-11-0 as outstanding.

6. Out of the amount of Rs. 12,133-12-0 a sum of Rs. 11,452-10-0 has been recovered leaving a balance of Rs. 681-2-0 as outstanding.

7. The outstandings of Rs. 47,37,171-1-0 from the General Rate-payers, consist of about Rs. 1,82,160-0-0 involved in the suits filed and to be filed, about Rs. 42,797-0-0 due from the Court Receiver and the Official Assignee, about Rs. 13,36,410-0-0 due from the Garrison Engineer (Hirings) and other officers of the Government of India in respect of buildings and lands requisitioned and structures erected by the Government for Military Purposes, a sum of about Rs. 54,785-0-0 held in Deposit pending settlement of disputes, a sum of about Rs. 39,675-0-0 outstanding against other Municipal Departments and Rs. 15,75,708-0-0 for amended bills issued in March 1947.

(3) Number of bills and amounts outstanding on account of property and wheel taxes from year to year were as under:—

Year.	No. of Bills.	Outstanding on 31st March 1946.	No. of Bills.	Outstanding on 31st March 1947.
		Rs. a. p.		Rs. a. p.
1930-31 ..	2	129 8 0	..	..
1931-32 ..	2	129 8 0	..	..
1932-33 ..	3	143 11 0	1	14 3 0
1933-34 ..	9	326 14 0	7	197 6 0
1934-35 ..	12	556 6 0	8	284 2 0
1935-36 ..	16	695 6 0	12	500 12 0
1936-37 ..	17	900 12 0	13	749 4 0
1937-38 ..	20	2,244 10 0	12	727 0 0
1938-39 ..	22	1,856 8 0	9	1,187 15 0
1939-40 ..	36	5,560 8 0	17	4,359 12 0
1940-41 ..	56	7,716 2 0	28	5,784 9 0
1941-42 ..	107	12,558 8 0	55	6,970 10 0
1942-43 ..	644	52,670 2 0	291	36,998 1 0
1943-44 ..	1,382	1,36,639 13 0	687	95,517 10 0
1944-45 ..	2,660	4,14,392 6 9	1,181	2,55,264 0 0
1945-46 ..	15,959	34,58,513 14 6	3,131	8,30,179 14 9
1946-47 ..	..	..	22,243	43,31,703 3 3
Total ..	20,947	40,95,034 9 3	27,695	55,70,438 6 0
Add—				
Payment by Government in lieu of General Tax.		3,42,229 12 0		3,76,033 4 0
Grand Total ..		44,37,264 5 3		59,46,471 10 0

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 12.1 as against 10.51 for the previous year showing an increase of 1.59.

(4) A statement of the transactions for the year is as follows:—

	Rs. a. p.
Property and Wheel Taxes—	
Balance on 1st April 1946	44,37,264 5 3
Add—Demand during the year	4,46,89,618 4 6
	4,91,26,882 9 9
Less—Recoveries during the year (exclusive of As. 6 paid more by Bombay Port Trust)	4,31,80,410 15 9
Balance on 31st March 1947 (exclusive of amount of bills for the meter hire and street number plates)	59,46,471 10 0

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 438-3-0 and Rs. 1,40,531-11-0 respectively, as against Rs. 667-9-0 and Rs. 83,637-4-0 during the previous year. The total amount written-off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 292-15-0.

(6) The total number of bills for the property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1947 was 28,670. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

In one case a bill was stated to be missing. On enquiry the Department dispensed with the services of the Ward Inspector concerned and the amount of the bill was recovered on 21-5-1947. In the other case of bills marked 'Duplicate' etc., the Assessor and Collector's reply is awaited.

I have the honour to be,
Sir,
Your most obedient servant,

MUNICIPAL OFFICES,
BOMBAY, *15th November 1947*

R. C. MEHTA,
Municipal Chief Auditor.

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND									Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1932-33	A ...	1	8 15 0	2 15 0	...	...	2 5 0	...	14 3 0	...	14 3 0	...	...
	Total ...	1	8 15 0	2 15 0	...	...	2 5 0	...	14 3 0	...	14 3 0	...	...
1933-34	A ...	4	32 4 0	10 10 0	...	...	8 6 0	...	51 4 0	...	51 4 0	...	...
Do.	C ...	3	92 1 0	30 1 0	...	...	24 0 0	...	146 2 0	...	146 2 0	...	...
	Total ...	7	124 5 0	40 11 0	...	...	32 6 0	...	197 6 0	...	197 6 0	...	...
1934-35	A ...	4	35 0 0	10 10 0	...	...	8 6 0	...	54 0 0	...	54 0 0	...	...
Do.	C ...	4	149 6 0	44 14 0	...	...	35 14 0	...	230 2 0	...	230 2 0	...	...
	Total ...	8	184 6 0	55 8 0	...	...	44 4 0	...	284 2 0	...	284 2 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND								Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1935-36	A ...	6	188 12 0	10 10 0	...	...	45 4 0	...	244 10 0	...	244 10 0	..	.
Do.	C ...	4	149 6 0	44 14 0	...	...	35 14 0	...	230 2 0	...	230 2 0	...	...
Do.	G ...	2	16 14 0	5 2 0	...	...	4 0 0	...	26 0 0	...	26 0 0	..	...
	Total ...	12	355 0 0	60 10 0	...	...	85 2 0	...	500 12 0	...	500 12 0	...	...
1936-37	A ...	6	173 12 0	10 10 0	...	...	45 4 0	...	229 10 0	...	229 10 0	.	
Do.	C ...	5	367 11 0	30 1 0	...	...	97 4 0	...	495 0 0	.	495 0 0		
Do.	G ...	2	15 8 0	5 2 0	...	...	4 0 0	...	24 10 0	..	24 10 0	.	.
	Total...	13	556 15 0	45 13 0	...	...	146 8 0	...	749 4 0	...	749 4 0	..	.
1937-38	A ...	6	173 12 0	56 12 0	...	...	45 4 0	...	275 12 0	..	275 12 0	.	.
Do.	C ...	4	326 0 0	15 4 0	...	...	85 6 0	...	426 10 0	..	426 10 0	.	.
Do.	G ...	2	15 8 0	5 2 0	...	...	4 0 0	...	24 10 0	...	24 10 0	..	...
	Total...	12	515 4 0	77 2 0	...	...	134 10 0	...	727 0 0	...	727 0 0	..	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND									
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of Bills. / Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) / (14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1938-39	A ...	1	47 15 0	15 10 0	...	...	12 8 0	...	76 1 0	...	76 1 0	... ...
Do.	C ...	4	299 3 0	15 4 0	...	...	85 6 0	...	399 13 0	...	399 13 0	... ...
Do.	F ...	2	489 1 0	70 13 0	...	...	127 9 0	...	687 7 0	...	687 7 0	... ...
Do.	G ...	2	15 8 0	5 2 0	...	...	4 0 0	...	24 10 0	...	24 10 0	... ...
	Total ...	9	851 11 0	106 13 0	...	...	229 7 0	...	1,187 15 0	...	1,187 15 0	... ...
1939-40	C ...	4	327 4 0	15 4 0	...	...	85 6 0	...	427 14 0	244 0 0	671 14 0	... ...
Do.	D ...	4	1,154 1 0	244 13 0	...	...	481 10 0	...	1,880 8 0	1,455 8 0	3,336 0 0	... ...
Do.	E ...	1	497 11 0	...	...	...	129 13 0	...	627 8 0	432 12 0	1,060 4 0	... ...
Do.	F ...	6	1,109 12 0	...	...	...	289 8 0	...	1,399 4 0	907 12 0	2,307 0 0	... ...
Do.	G ...	2	15 8 0	5 2 0	...	...	4 0 0	...	24 10 0	...	24 10 0	... ...
	Total ...	17	3,104 4 0	265 3 0	...	...	990 5 0	...	4,359 12 0	3,040 0 0	7,399 12 0	... ...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	Nos. of bills.	DETAILS OF DEMAND									Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1940-41	B ...	2	141 12 0	...	...	...	62 2 0	...	203 14 0	207 0 0	410 14 0		
Do.	C ...	4	327 4 0	15 4 0	...	...	85 6 0	...	427 14 0	244 0 0	671 14 0		
Do.	D ...	4	1,846 6 0	...	...	...	481 10 0	...	2,328 0 0	1,605 8 0	3,933 8 0		
Do.	E ...	2	895 13 0	...	...	...	259 10 0	...	1,155 7 0	778 15 0	1,934 6 0		
Do.	F ...	6	1,109 12 0	...	...	...	289 8 0	...	1,399 4 0	907 12 0	2,307 0 0		
Do.	G ...	3	59 8 0	5 2 0	...	...	15 8 0	...	80 2 0	19 2 0	99 4 0		
	Total ...	21	4,380 7 0	20 6 0	...	...	1,193 12 0	...	5,594 9 0	3,762 5 0	9,356 14 0	...	
1941-42	C.P.R. ...	2	35 1 0	...	...	...	...	9 14 0	44 15 0	...	44 15 0	..	
Do.	B ...	2	238 0 0	77 10 0	...	...	62 2 0	...	377 12 0	165 10 0	543 6 0	..	
Do.	C ...	6	435 2 0	42 10 0	...	...	129 2 0	...	606 14 0	224 7 0	831 5 0	..	.
Do.	D ...	4	1,846 6 0	...	...	...	481 10 0	...	2,328 0 0	1,284 6 0	3,612 6 0	...	.
Do.	E ...	5	877 11 0	...	...	...	251 8 0	...	1,129 3 0	560 5 0	1,689 8 0	...	
Do.	F ...	6	1,109 12 0	21 8 0	...	...	289 8 0	...	1,420 12 0	726 2 0	2,146 14 0	...	..
Do.	G ...	6	179 11 0	9 15 0	...	...	46 14 0	...	236 8 0	52 0 0	288 8 0	...	...
	Total ...	31	4,721 11 0	151 11 0	...	...	1,260 12 0	9 14 0	6,144 0 0	3,012 14 0	9,156 14 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.								Meter Hire.	
			General Tax.	Water Tax.			Halalkhore Tax.		Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1942-43	A ...	10	818 15 0	...	3,042 6 0	...	...	...	3,861 5 0	662 7 0	4,523 12 0	...	...
Do.	G. P. R. ...	7	1,823 13 0	...	...	...	...	147 8 0	1,971 5 0	...	1,971 5 0	...	..
Do.	T ...	1	139 1 0	...			...		139 1 0	92 11 0	231 12 0		
Do.	B ...	4	2,701 2 0	77 10 0	...	...	704 11 0	...	3,483 7 0	274 11 0	3,758 2 0	...	...
Do.	C ...	6	456 6 0	50 11 0	...	...	108 12 0	...	615 13 0	221 13 0	837 10 0	...	...
Do.	D ...	11	5,511 2 0	1,149 11 0	...	...	1,401 6 0	...	8,062 3 0	3,744 13 0	11,807 0 0	...	...
Do.	E ...	9	1,050 4 0	...	...	...	283 14 0	...	1,334 2 0	625 7 0	1,959 9 0	...	...
Do.	F ...	15	2,001 7 0	518 5 0	...	...	332 10 0	...	2,852 6 0	1,518 5 0	4,370 11 0	...	...
Do.	G ...	29	8,258 11 0	671 10 0	...	...	109 2 0	...	9,039 7 0	5,304 6 0	14,343 13 0	...	...
	Total ...	92	22,760 13 0	2,467 15 0	3,042 6 0	...	2,940 7 0	147 8 0	31,359 1 0	12,444 9 0	43,803 10 0	...	...
1943-44	A ...	65	5,957 8 0	...	7,077 1 0	...	...	...	13,034 9 0	14,955 3 0	27,989 12 0	...	...
Do.	G. P. R. ...	17	2,936 11 0	...	1,264 6 0	...	...	373 3 0	4,574 4 0	...	4,574 4 0	...	...
Do.	T ...	5	521 5 0	71 15 0	...	...	23 0 0	...	616 4 0	318 3 0	934 7 0	...	...
Do.	B ...	8	1,178 14 0	77 10 0	...	...	314 6 0	...	1,570 14 0	786 1 0	2,356 15 0	...	...
Do.	C ...	9	745 8 0	15 4 0	...	...	155 6 0	...	916 2 0	418 1 0	1,334 3 0	...	...
Do.	D ...	44	17,746 0 0	3,258 2 0	...	...	2,676 3 0	...	23,680 5 0	13,149 13 0	36,830 2 0	...	...
Do.	E ...	20	2,869 0 0	85 14 0	...	...	755 11 0	...	3,710 9 0	1,463 8 0	5,174 1 0	...	...
Do.	F ...	36	18,028 11 0	3,245 14 0	218 11 0	...	1,592 1 0	...	23,085 5 0	16,663 1 0	39,748 6 0	...	...
Do.	G ...	110	12,057 7 0	2,818 15 0	...	...	128 11 0	...	15,005 1 0	11,529 4 0	26,534 5 0	...	...
	Total ...	314	62,041 0 0	9,573 10 0	8,560 2 0	...	5,645 6 0	373 3 0	86,193 5 0	59,283 2 0	1,45,476 7 0	...	...
1944-45	A ...	87	10,869 14 0	1,311 9 0	17,838 13 0	...	393 6 0	...	30,413 10 0	19,687 14 0	50,101 8 0	...	...
Do.	G. P. R. ...	53	2,042 1 0	179 6 0	18,135 0 0	...	15 4 0	2,656 15 0	23,028 10 0	17 14 0	23,046 8 0	...	...
Do.	T ...	6	793 8 0	157 6 0	...	...	56 11 0	...	1,007 9 0	482 15 0	1,490 8 0	...	...
Do.	B ...	28	3,712 6 0	442 2 0	...	6 12 0	696 4 0	...	4,857 8 0	2,279 7 0	7,136 15 0	...	...
Do.	C ...	33	8,496 4 0	2,544 13 0	...	...	2,216 4 0	...	13,257 5 0	5,030 1 0	18,287 6 0	...	...
Do.	D ...	103	29,624 14 0	3,564 8 0	1,582 3 0	...	2,982 13 0	...	37,754 6 0	19,566 12 0	57,321 2 0	...	...
Do.	E ...	46	17,088 10 0	550 8 0	...	...	2,199 12 0	...	19,838 14 0	7,182 10 0	27,021 8 0	...	...
Do.	F ...	100	59,846 6 0	5,623 6 0	...	...	4,175 5 0	...	69,645 1 0	57,147 10 0	1,26,792 11 0	...	...
Do.	G ...	191	36,552 15 0	4,578 14 0	123 12 0	...	332 0 0	...	41,587 9 0	28,178 0 0	69,765 9 0	...	...
	Total ...	647	1,69,026 14 0	18,952 8 0	37,679 12 0	6 12 0	13,067 11 0	2,656 15 0	2,41,390 8 0	1,39,573 3 0	3,80,963 11 0	...	...

STATEMENT A.—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1947.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND									
			General Tax.	Water Tax.			Halalkhore Tax.		Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total	Meter Hire.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.				No. of bills. / Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) / (14)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1945-46	A ...	253	69,341 14 0	8,657 4 0	1,496 10 0	...	5,954 11 0	...	85,450 7 0	38,019 8 0	1 23,469 15 0	
Do.	G.P.R. ...	135	9,703 5 0	471 7 0	59,267 1 0	...	1,186 4 0	24,506 12 0	95,134 13 0	17 14 0	9?,152 11 0	
Do.	T. ...	59	3,399 2 0	854 11 0	201 12 0	...	667 1 0	...	5,122 10 0	1 543 15 6	6 666 9 0	
Do.	B ...	186	65,787 7 6	15,744 3 0	108 15 0	13 6 0	14,663 2 0	...	96,317 1 6	35,563 3 0	1,31 ?80 4 6	
Do.	C ...	104	24,711 1 0	5,450 5 6	...	21 0 0	5,312 1 0	...	35,494 7 6	12,?76 13 6	4? 4 1 ? 0	—
Do.	D ...	181	45,673 12 0	5,372 13 0	5,584 1 0	15 0 0	4,887 5 0	...	61,552 15 0	25,3 4 6 0	8? 917 5 0	
Do.	E ...	158	40,574 7 0	5,801 7 0	...	20 12 0	5,677 13 0	...	52,074 7 0	17 752 15 0	69 ?7 6 0	
Do.	F ...	237	2,05,171 9 0	12,841 3 0	2 10 0	...	7,588 10 0	...	2,25 64 0 0	98,242 1 0	3,?3 ?46 1 (	
Do.	G ...	309	68,705 13 3	5,137 1 0	59,266 14 0	...	2,004 13 0	...	1,35,114 9 3	36,010 8 0	1 71,125 1 3	...
	Total ...	1,622	5,33,068 6 9	60,330 6 6	1,25,927 15 0	70 2 0	47,941 12 0	24,506 12 0	7,91,845 6 3	2 ?5,511 3 6	10 ?, 6 9 9	. ..
1946-47	A ...	1167	4,08,523 2 6	75,876 15 0	30,082 8 0	839 5 0	84,586 13 0	...	5,92,908 11 6	1,95 331 11 0	79 ?40 ((	?? 1 (70 3 0
Do.	G.P.R. ...	852	13,857 15 0	748 4 0	5,78,954 14 0	...	2,867 2 0	69,490 14 0	6,65 9?9 1 0	?96 12 0	((6 ..5 13 0	3 3 15 195 9 (
Do.	T ...	241	37,166 7 0	9,196 15 0	1,153 10 0	7 8 0	7,723 5 0	...	55 247 13 0	16 1 3 1 0	?1 80 14 0	1?8 0 (
Do.	B ...	1866	4,34,053 10 9	1,05,255 13 0	19,354 2 0	381 0 0	90 616 12 0	...	6 4?,661 5 9	1,90 7 10 0	8 ?0,4 15 9	35 1,? .. 0 (
Do.	C ...	1121	1,83,446 1 6	42,313 2 0	21,740 10 0	554 0 0	37,267 9 0	...	2 85,?.1 6 6	?0 4?9 5 0	3( ) 11 (	13 4 4 0 0
Do.	D ...	1071	2,21,348 5 0	48,316 11 0	56 312 12 0	119 6 0	47,374 8 0	...	3 73 471 10 0	1(691 8 (	4 ?(63 .. 0	44 1 ?? 4 0 0
Do.	E ...	1200	1,92,207 9 0	41,249 12 0	94 356 12 0	269 4 0	44 595 0 0	..	3,?. ?78 5 0	83 7? 7 0	4 ((1. 0	2? 1 ?(0 10 0
Do.	F ...	1162	3,93,790 6 6	58,490 10 0	20,947 1 0	35 7 0	80 699 4 0	...	5 ?3,9 2 12 6	1,?4 0 7 2 0	7 ?(0.9 14 (	?1 ?(9 1 0
Do.	G ...	2108	2,32,037 10 0	53,475 6 0	1,51,59 8 0	45 14 0	47,568 2 0	...	4 84 ?17 8 0	?(947 4 3	?8 ?.4 12	?? 1 .?? 8 0
	Total ...	10,788	21,16,431 3 3	4,34,913 8 0	9,74,502 13 0	2,251 12 0	4,43,?98 7 0	69,49 ? 14 0	40,40 8?(9 3	9,30 (04 12 3	4?,71,493 5 6	542 22,?48 15 0
	Grand Total	13,594	29,18,131 3 0	5,27,064 11 6	11,49,713 0 0	2,328 10 0	5,17,013 2 0	97,185 2 0	52,11,435 12 6	14,17,232 0 9	66,?6 ?67 13 3	542 22,648 15 0

13,594	
14,101	
542	
2	
431	
Total 28,670	

Municipal Property Taxes	...	52,11,435 12 6
Tax on Vehicles and Animals	...	3,59,002 9 6
Meter hire bills	...	22,648 15 0
Street No. Plates	...	2 12 0
Additional General Taxes	...	25,644 10 0
Amount due from Government in lieu of the General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1946-47	...	3,76,033 4 0
Urban Immoveable Property Tax.	...	14,17,232 0 9
		74,11,999 15 9

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1947.

Ward.	1940-41		1941-42		1942-43		1943-44		1944-45		1945-46		1946-47	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A	2	70 0 0	15	560 0 0	29	671 0 0	85	1,967 11 0	116	2,758 5 0	223	4,735 5 0	1,825	43,365 2 0
B	1	20 0 0	...	...	48	1,311 10 0	93	2,418 10 0	138	4,018 6 0	417	12,068 0 6	2,990	87,880 2 0
C	4	100 0 0	1	25 0 0	10	250 0 0	5	130 0 0	17	405 11 0	50	1,250 11 0	621	14,898 1 0
D	...	...	...	...	18	418 11 0	36	873 6 0	36	754 5 0	144	2,861 14 0	1,867	42,698 12 0
E	...	...	6	171 10 0	71	2,369 6 0	108	2,784 9 0	167	4,420 1 0	508	13,464 15 0	2,817	71,307 12 0
F	...	...	2	70 0 0	20	553 5 0	28	730 1 0	39	936 12 0	105	2,342 6 0	882	20,293 12 0
G	...	...	...	...	3	65 0 0	18	420 0 0	21	580 0 0	62	1,611 5 0	453	10,371 1 0
Total ...	7	190 0 0	24	826 10 0	199	5,639 0 0	373	9,324 5 0	534	13,873 8 0	1,509	38,334 8 6	11,455	2,90,814 10 0

STATEMENT C.

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1947.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV		A.G.T. XV.		Street No. Plate	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p
A ...	...	...	...	...		...	...	...	2	229 5 0	1	4 10 0	...	...	...	...	1	0 12 0				
G.P.R....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	.		
Trust ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	.		
B ...	39	1,988 3 0	4	58 15 0	25	96 1 0	2	25 13 0	42	1,691 8 0	...	...	10	325 12 0	1	155 6 0	...	..	..			
C ...	10	678 10 6	...	...	...	...	...	...	18	3,607 8 6	12	56 5 0	3	22 0 0	2	134 2 0	1	0 4 0	...			
D ...	30	2,853 14 0	...	...	...	...	...	...	34	9,896 11 0	...	...	2	51 6 0	...	...	...	..	1	29 6 0	1	1 4 0
E ...	34	80 14 0	...	...	...	...	...	...	62	1,019 0 0	...	...	3	50 5 0	1	5 0 0	...	...				
F ...	13	195 14 0	...	...	...	...	...	...	12	662 8 0	...	...	3	84 14 0	..	...	..	...	.			
G ...	10	185 10 0	...	...	...	...	...	...	28	914 5 0	...	...	25	539 12 0	...	...	...	.			..	
Total ...	136	5,983 1 6	4	58 15 0	25	96 1 0	2	25 13 0	198	18,020 13 6	13	60 15 0	46	1,074 1 0	4	294 c 0	2	1 0 0	1	29 6 0	2	2 1c 0

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